STATE OF OHIO

STATE EMPLOYMENT RELATIONS BOARD

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2006 MAR 31 P 3: 22

March 28, 2006

IN THE MATTER OF FACT-FINDING	)	
	)	
Between	)	
	)	CASE NO (S) 05-MED-09-0947
CITY OF DOVER, OHIO	)	05-MED-09-0948
	)	
And	)	
	)	
FRATERNAL ORDER OF POLICE	)	
LODGE NO. 4 – DOVER DIVISION	)	

APPEARANCES

For the City of Dover:

Zack Space, Law Director
Tweed Vorhees, Safety Director
Rick Homrighausen, Mayor
Mary Fox, Auditor
Zach Cummings, City Councilman

For the Union:

Mark E. Drum, Staff Representative, FOP/OLC
Marc Lawtenschlieger, Patrolman
Jason Edwards, Patrolman
Paul Bantum, Patrolman
Brett Swigert, Captain

Fact-Finder:

Richard D. Sambuco

Date of Report: March 28, 2006

BACKGROUND

This matter concerns the fact-finding proceeding between the City of Dover (the "Employer" or "City") and the Fraternal Order of Police Lodge 4-Dover Division (the "Union" or "FOP"). The bargaining unit consists of approximately twenty-one (21) personnel including all patrolmen through captains, excluding the Chief of Police, and one (1) dispatcher excluding all patrolmen through captains and chief of police.

While there are two (2) bargaining units:

Bargaining Unit 1 – (05-MED-09-0947)	All sworn police officers, patrolmen through captains excluding the Chief of Police
Bargaining Unit 2 - (05-MED-09-0948)	Dispatchers excluding sworn uniformed police officers, patrolmen through Captains and excluding the Chief of Police

the parties to the fact-finding are in agreement and have so stipulated that the two bargaining units are covered under one Collective Bargaining Agreement (CBA) and the recommendations of the Fact-Finder with regard to the issue at impasse will apply to both bargaining units.

The current Collective Bargaining Agreement expired on December 31, 2005 and continues in full force by way of agreed-upon extension. The parties held eight (8) negotiation meetings for a successor agreement beginning on February 16, 2005 and continuing through February 3, 2006. As a result of these negotiation meetings, the parties were able to reach tentative agreement on all outstanding issues, with the exception of one (1) remaining issue: WAGES.

The State Employment Relations Board (SERB) appointed Richard D. Sambuco Fact-Finder in this matter.

With only one outstanding issue to be resolved, the parties declined the Fact-Finder's offer of mediation.

The fact-finding proceeding was conducted pursuant to Ohio Collective Bargaining Law and the rules and regulations of the State Employment Relations Board, as amended. In making the recommendations in this report, consideration was given to the following criteria listed in Rule 4117-9-05 (K) of the State Employment Relations Board:

(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.

The parties were given full opportunity to present their respective position on the issue.

THE ISSUE

Wages. The Union has proposed a wage increase of four percent (4%) in each year of the contract. The City has proposed a two percent (2%) wage increase in each year of the contract.

The parties have tentatively agreed to a three (3) year contract to be effective January 1, 2006 through December 31, 2008. The parties have also tentatively agreed to waive the provisions of ORC 4117.14 (G)(11) in regard to all matters of compensation or with cost implications which may be awarded by a conciliator in accordance with Chapter 4117 O.R.C. and agree that the conciliator may award increases or others matters with cost implications to be retroactive to January 1, 2006 (Joint Exhibit #1).

The rates of pay currently in effect under ARTICLE 20, WAGES, Section 20.4 are as follows:

CLASSIFICATION	2005
Captain	$22.70
Captain Detective	$22.70
Police Officer	$20.08
Dispatcher	$18.78

UNION'S POSITION

The Union submitted ten (10) different exhibits revealing several different comparables in support of its position.

Union Exhibit #1 reveals a listing of thirteen (13) different cities, including the City of Dover, delineating comparables in terms of population size, bargaining agent, total sworn officers and starting date and ending date of each city's collective bargaining agreement.

At the bottom of Union Exhibit #1, the Union has also included the population of the City of St. Clairsville (5,057) and its number of sworn officers (9) and points out that the City of St. Clairsville barely meets the legal mandate for collective bargaining.

Of the thirteen (13) cities listed, the population ranges from a low of 11,520 for the City of Cambridge to a high population of 18,135 for the City of Tiffin. The City of Dover's population is listed at 12,210.

The total sworn officers responsible for policing these thirteen (13) cities range from a low of 22 for the City of Cambridge to a high of 32 for the City of Marietta (population size 14,515). The City of Dover has 22 total sworn officers policing a population size of 12,210.

The foregoing analysis reveals the following matrix:

City	Population	Total Sworn Officers	CBA Length
Cambridge	11,520	22	3 years
Dover	**12,210**	**22**	**3 years**
Marietta	14,515	32	3 years
Tiffin	18,135	26	2 years

The average population of all thirteen (13) cities in Union Exhibit #1 is 13,688, with an average of 22 total sworn officers.

Union Exhibit #2 displays the same thirteen (13) cities arranged in alphabetical order according to median household income, median house value, per capita income, city square miles, unemployment rate, percentage below the poverty level and moody bond rating.

Of the thirteen (13) cities ranked, the city with the lowest median household income is the City of East Liverpool at $21,138, and the city with highest median household income is the City of Dover at $36,665. The lowest median house value belongs to the City of East Liverpool at $41,700 and the highest median house value of $94,800 belongs to the City of Dover. In this chart of thirteen (13) cities (Union Exhibit #2), the city with the lowest per capita income is the City of East Liverpool ($12,656) and the city with the highest per capita income of $18,928 is assigned to the City of Dover.

This foregoing analysis reveals the following:

City	Median Household Income	Median House Value	Per Capita Income
East Liverpool	$21,138	$41,700	$12,656
Dover	**$36,665**	**$94,800**	**$18,928**

From this same chart (Union Exhibit #2), we find the lowest city square miles of policing territory (4.3 square miles) in the City of East Liverpool and the highest policing territory (26.4 square miles) is in the City of Conneaut. The City of Dover has 5.3 square miles of policing territory. The average city square miles of all thirteen (13) cities is 8.0 square miles.

Which reveals the following breakdown in chart form:

City	City Square Miles	Total Sworn Officers
East Liverpool (L)	4.3	18
Dover	**5.3**	**22**
Conneaut (H)	26.4	20

Note: (L) = lowest; (H) = highest

From this same chart (Union Exhibit #2) we find the City of Dover with the lowest unemployment rate at 1.8% and the City of Marietta with the highest unemployment rate at 7.5%. The average unemployment rate for all thirteen (13) cities is 3.8%.

A breakdown in chart form would look like this:

City	Unemployment Rate
Dover (L)	**1.8%**
Marietta (H)	7.5%
Average of all 13 cities	3.8%

The City of East Liverpool has the highest percentage (21.5%) below the poverty level. The city with the lowest percentage below the poverty level (5.7%) belongs to the City of Tiffin. The City of Dover's percentage below the poverty level is 7.5%, with the average percentage below the poverty level at 11.0% for all thirteen (13) cities ranked.

Union Exhibit #3 identifies the income tax rate, general fund budget, police department budget and the percentage of the police department budget to the general fund budget for all thirteen cities, from the highest to the lowest, beginning with the income tax rate as follows:

City	Income Tax Rate	General Fund Budget	Police Dept. Budget	Percentage of General Fund
Tiffin (H)	1.75%	$11,127,088	$2,930,191	26.3%
Dover (L)	**1.00%**	**$ 5,242,813**	**$1,504,752**	**28.7%**
Average	1.45%	$ 6,756,476	$2,132,793	31.6%
St. Clairsville	No income tax	$ 3,894,195	$ 817,781	21.0%

The Union points out that the City of Dover's tax rate is the lowest of all thirteen (13) cities used as comparables.

While the General Fund Budget for the City of St. Clairsville was not shown on Union Exhibit #3, this Fact-Finder extrapolated the amount from the factual information presented (i.e., 21% of "x" = $817,781).

Union Exhibit #4 reflects a comparison of top patrol officers' wages, along with a pension pickup in percentage terms and also in dollar terms, for all thirteen 13) cities plus the City of St. Clairsville.

Rank	Municipality	Salary	PPU %	PPU $	Total Salary
1	Urbana	$50,072 (H)		0	
6	**Dover**	**$41,766**		**0**	
13	Conneaut	$35,942 (L)	4.0%	$1,438	$37,380
	Average Patrol Officer Salary:	$41,786			$42,208
	St. Clairsville	$38,417			$38,417

While this chart (Union Exhibit #4) ranks the City of Dover in seventh place, I changed its ranking to sixth place. The reason for this change is that the chart had the City of Salem ranked third with a salary of $40,478 compared to the City of Dover's salary of $41,766. Besides the City of Conneaut, the City of Salem was the only other city that provided for a PPU % of 10.0% and a PPU $ of $4,048 for a total salary of $44,526. Twelve (12) cities do not show a PPU.

Out of a listing of 13 cities plus the City of St. Clairsville, only the City of Salem and the City of Conneaut provide for a pension pickup according to Union Exhibit #4.

The Union emphasizes that the total annual salary for a City of Dover police officer is $400 lower than the average patrol officer's salary ($41,786) for all thirteen (13) agencies compared.

Union Exhibit #5 is a Percentage Wage Increase Report of all cities with a population between 8,000 and 16,000. The City of Dover has a population of 12,210 (Union Exhibit #1).

Union Exhibit #5 is based on information provided by SERB as of March 1, 2006 and identifies 70 different police agencies across the State of Ohio from the City of Amherst to the City of Uhrichsville.

This Union Exhibit #5, which lists the cities in alphabetical order, identifies the percentage of pay increases that bargaining unit members (city police agencies) will receive over a three (3) year collective bargaining agreement.

The average three - year contract reveals 3.3%, 3.5% and 3.5% respectively in each year of the contract.

Union Exhibit #6 is SERB's annual wage settlement report for the last ten (10) years (1996-2005) and reflects an average annual percentage increase of 3.57%.

Union Exhibit #7 identifies a 4.0% increase in the consumer price index from January 2005 through January 2006.

Union Exhibit #8, **Page 1**, is the Union's comparison of a net economic increase of the City's proposal (2% each year) taking into account the new health insurance payments being made by members of the bargaining unit. The Union's compilation is reflected as follows and based on a police officer's hourly rate of $20.08 per hour.

The City proposes a 2% increase in each year of a three - year contract. The results are reflected as follows:

	Hourly	Annual	
2005 Rate	$20.08	$41,766	(times 2080 hours)
2006 Proposed (2%)	$20.48	$42,602	
Medical Insurance Payments		- 360	(Family Coverage)
Net Increase for 2006 is 1.14%		$42,242	
2007 Proposed (2%)	$20.89	$43,454	
Medical Insurance Payments		- 600	(Family Coverage)
Net Increase for 2007 is 1.45%		$42.854	
2008 Proposed (2%)	$21.31	$44,323	
Medical Insurance Payments		- 840	(Family Coverage)
Net Increase for 2008 is 1.47%		$43,483	

The Union does not provide figures on single coverage or a breakdown of the number of single (coverage) officers versus family (coverage) officers.

Union Exhibit #8, **Page 2**, is a similar type comparison using the Union's proposal of a 4% increase in each year of a three-year contract as follows:

	Hourly	Annual	
2005 Police Officer's Rate	$20.08	$41,766	(times 2080 hours)
2006 Proposed (4%)	$20.88	$43,437	
Medical Insurance Payments		- 360	(Family Coverage)
Net Increase for 2006 is 3.14%		$43,077	
2007 Proposed (4%)	$21.72	$45,175	
Medical Insurance Payments		- 600	(Family Coverage)
New Increase for 2007 is 3.48%		$44,575	
2008 Proposed (4%)	$22.59	$46,982	
Medical Insurance Payments		- 840	(Family Coverage)
Net Increase for 2008 is 3.52%		$46,142	

Union Exhibit #9 is a comparison of the front line firefighters' annual pay to the police officers' annual pay. This chart reflects a 2005 average annual pay

for a firefighter in the City of Dover at $60,747. The chart also reflects a 2005 average annual pay for a police officer for the same period at $48,034.

The Union argues that a firefighter in the City of Dover earns 26% ($12,700) more than a City of Dover police officer.

Union Exhibit #10 is a U.S. Department of Labor, Bureau of Labor Statistics wage and salary report for police and Sheriff's patrol officers. This report identifies a national median hourly wage rate of $21.92 and an annual wage of $45,600. A City of Dover patrol officer's annual wage is presently at $41,766.

Finally, the Union summarizes by stating that:

" there has been a disparate treatment of the police bargaining unit members. As noted in my pre-hearing statement, the firefighter's previous contract provided them with wage increases which exceeded 3% in each year of their contract. Shortly afterwards, the City claimed financial hardship during the police negotiations and the police officers were subsequently awarded a contract with increases of 3%-2.5%-2.5%. Shortly after that, the AFSCME bargaining unit members were provided with pay increases of 3% each year.

The Union believes that their wage proposal of 4% each year is justified based on both internal comparison and all of the exhibits identifying the external comparisons as well at the cost of living and historical raises provided to police officers in the State of Ohio."

City of Dover's Position

The City submits a computer printout (City Exhibit A) of its "Fund Cash Position" over the past five (5) years and highlighting three (3) particular line items. This fact-finder added two (2) line items (Income Tax and Total All Funds) for illustrative purposes as follows:

	Beginning Year Balance	Year Receipts	to Date Expenses	(Carryover) Unexpended Balance
General Fund (2001)	1,682,571.90	5,048,180.87	4,685,516.02	2,045,236.75
General Fund (2002)	2,045,236.75	4,548,997.13	4,870,001.54	1,724,232.34
General Fund (2003)	1,724,232.34	4,826,540.72	5,656,882.86	893,890.20
General Fund (2004)	893,890.20	5,401,652.24	5,864,617.46	430,924.98
General Fund (2005)	430,924.98	5,721,522.37	5,851,882.60	300,564.75
Capital Impv. (2001)	876,574.13	1,515,988.03	1,488,089.49	904,472.67
Capital Impv. (2002)	904,472.67	1,499,701.44	1,164,144.07	1,240,030.04
Capital Imvp. (2003)	1,240,030.04	1,719,494.75	1,785,189.62	1,174,335.17
Capital Impv. (2004)	1,174,335.17	758,115.49	1,123,015.26	809,435.40
Capital Imvp. (2005)	809,435.40	1,005,141.04	975,006.90	839,569.54
Health Ins. (2001)	36,768.11	876,641.40	865,552.66	47,856.85
Health Ins. (2002)	47,856.85	946,573.33	937,839.77	56,590.41
Health Ins. (2003)	56,590.41	1,128,402.84	1,147,504.03	37,489.22
Health Ins. (2004)	37,489.22	1,207,971.47	1,239,195.44	6,265.25
Health Ins. (2005)	6,265.25	1,516,915.01	1,490,207.33	32,972.93
Income Tax (2001)	0.00	3,169,989.45	3,169.989.45	0.00
Income Tax (2002)	0.00	3,116,478.42	3,116,478.42	0.00
Income Tax (2003)	0.00	3,519,699.66	3,519,699.66	0.00
Income Tax (2004)	0.00	3,495,550.23	3,495,550.23	0.00
Income Tax (2005)	0.00	3,790,428.05	3,790,428.05	0.00
Total All Funds (2001)	17,211,988.06	38,792,728.90	43,917,090.31	12,087,626.65
Total All Funds (2002)	12,087,626.65	38,837,253.35	39,666,408.84	11,258,471.16
Total All Funds (2003)	11,258,471.16	41,171,506.36	42,033,598.02	10,396,379.50
Total All Funds (2004)	10,396,379.50	42,806,087.55	42,809,406.38	10,393,060.67
Total All Funds (2005)	10,393,060.67	48,636,131.19	48,517,411.01	10,511,780.85

City Exhibit B identifies monthly health insurance premium costs for various entities within the City of Dover beginning in 2004 as follows:

	2004 S/M	2005 S/M	2006 S/M	2007 S/M	2008 S/M
Elected Officials	$50	$50	$50	$70	
Non-Bargaining		15/30	25/50	35/70	
AFSCME Union		10/20	15/30		
Fire Union		10/20	15/30	25/50	
Police Union (tentative)		0	15/30	25/50	35/70

Note: S = single coverage
M = family coverage

City Exhibit C identifies hourly rates for the Cities of St. Clairsville, Tuscarawas Sheriff, New Philadelphia, Cambridge, Dover and the Dover Fire Department as follows:

St. Clairsville	2006	Dover (proposed 2% increase)
Captain		$23.15
Patrolman	$18.47	$20.48
Dispatcher	$12.56	$19.16

New Philadelphia*	2006	Dover (proposed 2% increase)
Captain	$20.15	$23.15
Patrolman	$18.99	$20.48
Dispatcher	$16.88	$19.16

Cambridge	1/1/06-6/30/06	7/1/06	Dover (prop. 2% inc.)
Lieutenant	$21.58	$22.01	$23.15
Sergeant	$19.82	$20.22	$23.15
Patrolman	$17.87	$18.23	$20.48
Dispatcher	$13.57	$13.84	$19.16

Dover Fire Department	2005	2006	2007
Converted Rate:			
Captain	$20.93	$21.45	$21.98
FF/EMT/Mechanic	$19.59	$20.09	$20.58
FF/EMT/Mechanic (new)	$19.31	$19.95	$20.58
FF/EMT/	$18.80	$19.28	$19.75
Percentage increase	2.68%	2.47%	2.48%

The converted rate is based on 2,912 hours and a conversion factor for base salary of 1.4. (City Exhibit C).

Dover Police (Proposed 2% increase)	2006	2007	2008
Captain	$23.15	$23.62	$24.09
Patrolman	$20.48	$20.89	$21.31
Dispatcher	$19.16	$19.54	$19.93

Tuscarawas Sheriff	2006	2007	2008
Sergeant	$18.38	$18.93	$19.50
Road Patrol	$16.00	$17.41	$17.93
Corrections Officer (3 year level)	$15.49	$15.96	$16.43
Process Server	$13.89	$14.31	$14.74

*Note: The FOP and management (in the City of New Philadelphia example) have agreed to a one-year extension through December 31, 2006 (City Exhibit D).

DISCUSSION – CITY'S POSITION

The City does not claim an inability to pay the wage increase (4.0% each year of a three (3) year agreement) proposed by the Union. Instead, it asserts that the City's offer (2.0% each year of a three (3) year agreement) is pushing the envelope in terms of what it can afford and still maintain fiscal responsibility. The City claims it is consistently spending more money each year than it is bringing in and its carryover balance is diminishing each year. The City points to its medical insurance costs as increasing from $600 per month to $850 per month for family coverage, as well as increasing costs in other areas. The City does concede that the Union has tentatively agreed to pay a portion of the medical insurance premium in a new collective bargaining agreement.

An examination of the City's computer printout of its cash position over the past five (5) years does reveal an incremental increase in expenses when compared to receipts, which translates into a substantial decline in the City's carryover balance. (See City Exhibit A, in which I have compiled on an annual comparison basis certain line items that the City used to support its position).

A close examination of the health insurance line item over the last three years (2003-2005) reveals the expenses increasing at a faster rate than an

increase in the receipts, translating into a tremendous decline ($37,489 to $6,265 from year 2003 to 2004) in carryover balance, but then we have a five-fold increase ($6,265 to $32,972) in carryover balance from year 2004 to 2005). It appears to me that the health insurance premiums (receipts) being paid in 2005 by certain entities (Elected Officials, Non-Bargaining, AFSCME and Fire) served to offset the expenses in health insurance resulting in a $32, 972.93 carryover balance for year 2005. If you take note of City Exhibit B, the only entity paying health insurance premiums in year 2004 are the elected officials and that's the year (2004) that reveals the large decline ($6,265.25) in carryover balance.

The City asserts that its primary and major source of income comes from its income tax revenue, which the City contends has pretty much "flat-lined" over the past several years.

A close examination of this line item (income tax) over the past five (5) years reveals some fluctuation in annual receipts but an increase of $270,729 over a three (3) year period (2003-2005) is difficult for me to accept as a "flat-lining" line item.

An examination of the "Capital Improvement" line item reveals some rather heavy expenditure in the first four (4) years of my comparative analysis. The auditor explained these expenditures. However, these expenditures are decisions made by the City and notwithstanding the veracity of its rationale, these expenditures do affect the overall budget in terms of monies available to other areas.

A close examination of the "Total All Funds" line item reveals an excess of expenses over receipts in years 2001 and 2002, which may be attributable to the expenses incurred in Capital Improvement during the years 2001 and 2003, but the last three (3) years of the "Total All Funds" line item appear to be fairly stable in terms of receipts vis-à-vis expenses.

Finally, during the length of the current collective bargaining agreement (January 1, 2003 through December 31, 2005) the receipts when compared to the expenses appear to be fairly stable, which serves to dilute somewhat the City's argument of being in a financial crunch.

The City presents a more convincing argument when it contends that its police are paid much better than corresponding cities and/or agencies within the Appalachian region. Previously cited information provided by the City (i.e., City Exhibits C and D) identify rather clearly the wages of the Dover police when compared to these other agencies cited, including the City of Dover's firefighting unit. These statistics demonstrate that the hourly rate of the City of Dover police is much more favorable when compared with the City of Dover firefighters, City of New Philadelphia, City of Cambridge, City of St. Clairsville and the Tuscarawas County Sheriff.

The City argues that this Fact-Finder should only compare the hourly rates of the City of Dover police to the City of New Philadelphia police and to recognize the fact that Union and management for the City of New Philadelphia have agreed to a one-year extension of all terms and conditions of employment in their

CBA until December 31, 2006, when making my recommendation. (City of Dover Exhibit D)

The criteria of Rule 4117-9-05K of the State Employment Relations Board precludes me from using only one comparative unit (City of New Philadelphia) against the subject unit (City of Dover) when making my recommendations, no matter how close they are geographically or similar in duties.

UNION'S POSITION: In Union Exhibit #3, they show the City of Dover as having a General Fund budget of $5,242,813, with a Police Department budget of $1,504,752, representing 28.7% of the General Fund budget. According to the Union, this $1.5 million Police Department budget for the City of Dover is thirteenth (13th) or last out of a total of 13 agencies compared.

The City of Dover is not last when you look at the percentage (28.7%) of the Police Department budget to the General Fund budget. When ranked by percentage, the City of Dover is fifth from the bottom of the 13 total agencies. The General Fund budget is only one line item of many line items the City is responsible for in the City's Fund Cash position (City Exhibit A).

While the Union identifies $5,242,813 as the General Fund budget for the City of Dover, the General Fund budget (Line Item #101) in City Exhibit A shows year-to-date actual receipts at $5,721,522 and year-to-date expenditures at $5,851,882 for the month of December, 2005 and year-to-date, which I conclude to be the months of January and February, 2006 inclusive, a three-month period.

With regard to the income tax rate (Union Exhibit #3), the Union argues that the City of Dover's tax rate of 1.0% is the lowest of those compared

agencies and has been in effect since 1970. The implication being that the City should increase its income tax rate.

That argument is not relevant to this Fact-Finder because recommendations are supposed to be made on the facts in existence at the time of fact-finding.

With regard to Union Exhibit #4, the Union argues that the total annual salary for a City of Dover police officer ($41,766) is more than $400 lower than the average top salary of those agencies compared. Union Exhibit #4 identifies the average top patrol officer salary at $41,786. The difference is $20.00 lower.

According to this chart (Union Exhibit #4), the police officers in the City of Dover rank seventh, or in the middle, of the 13 comparable agencies, according to the Union. In this same chart, the City of Salem, with a top patrol officer salary of $40,478, is ranked third from the top, obviously a typographical error. Placing the City of Salem in its proper salary ranking moves the City of Dover up to a sixth place ranking of the thirteen (13) comparable agencies.

Union Exhibit #9 presents a telling discrepancy between the average annual incomes of firefighters ($60,747) in the City of Dover compared to the average annual income of the City of Dover police ($48,034). The Union argues that a firefighter in the City of Dover earns 26% ($12,700) more than a City of Dover police officer. The Union admits that the firefighters' average annual salary includes bonuses and overtime.

The City responds that the firefighters get paid in monetary compensation while the City of Dover police have opted to take compensation time (i.e., comp

time) in lieu of monetary reimbursement for working overtime hours. According to the City, the firefighters do not have a comp-time provision in their collective bargaining agreement and must be paid money for working overtime.

This fact would account for the huge average annual income discrepancy between police officers and firefighters.

More importantly, ARTICLE 34, Section 34.4 of the police officers' current collective bargaining agreement states, "Employees may elect to receive compensatory time off in lieu of payment for any overtime hours worked." (Emphasis added.)

To point out such a large discrepancy in average annual income between the City of Dover firefighters and police officers, knowing full well that the police officers have the option of being paid for overtime hours worked instead of taking compensation time off is a bit disingenuous. Moreover, in reviewing ARTICLE 34 on overtime, there appears to be no change in the language with regard to the tentative agreement versus the current collective bargaining agreement. Which tells me, notwithstanding the huge discrepancy in average annual income between the two departments, the Union is satisfied with the language of ARTICLE 34, OVERTIME, as it presently reads.

The Union also argues that the AFSCME bargaining unit for the City of Dover was granted a 3% increase in each year of a three (3) year contract; the last increase will take effect this coming April, 2006.

Notwithstanding a 3% wage increase in the first two (2) years of the AFSCME contract, it is difficult to make objective comparisons without the current hourly wage rates for the AFSCME bargaining unit.

Returning to Union Exhibit #2, the Union identifies per-capita income for the City of Dover as $18,928.

Robert's Dictionary of Industrial Relations defines per-capita, which means "for each person" as follows:

> "The total income divided by the number of individuals. Per capita income within a state would be determined by the income of the state divided by the individuals within the state. Per capita income is frequently used as a measure of the well-being of a country or community."

The current annual wage of a City of Dover police officer, excluding overtime, is $41,766.40 ($20.08 x 2,080), more than twice as much as the per-capita income of the City of Dover.

The Union points out that they have tentatively agreed to contribute to the health insurance premium as follows:

2006	2007	2008
Single/Married $15 / $30 per month	Single/Married $25 / $50 per month	Single/Married $35 / $70 per month

In the past, the Police Union did not contribute to health insurance costs. This contribution brings them in line with the firefighters and the last year of the AFSCME bargaining agreement. But all three of these bargaining units (Police, Fire and AFSCME) are still behind the premiums paid by the non-represented personnel.

Notwithstanding the Union Representative's excellent presentation and excellent support material in terms of the various Exhibits #1 through #10, including the Percentage Wage Increase Report (Union Exhibit #5), the SERB Annual Wage Settlement Report (Union Exhibit #6) showing a 3.57% average increase, and the Consumer Price Index Summary (Union Exhibit #7) showing a 4% increase over the past year, Union Exhibit #8, Page 1 and Union Exhibit #8, page 2, showing the results of a 2.0% increase vis-à-vis a 4.0% increase and the U. S. Department of Labor, Bureau of Labor Statistics showing the "top" national estimates for this occupation (police) of $45,600 (Union Exhibit #10), the facts speak for themselves.

RECOMMENDATION

Equivalence established between wage schedules of two or more groups of workers is commonly termed "wage parity". In the public sector, for example, wage parity issues commonly arise in negotiations involving police and firefighters.

In this instant case, there is no equivalence in wage parity between the City of Dover police and the City of Dover firefighters.

Parity is somewhat lacking in certain police agencies when compared to the City of Dover police. The City of Dover police unit is in a somewhat envious position with regard to hourly wage rates and per capita income.

Just because one can demonstrate certain percentage increases across agencies and across the state does not automatically portend well for your position with regard to receiving the same or similar percentage increase. We all

know that there are many other factors (i.e., sick pay, vacation, holidays, shift premium differentials, clothing allowance, training costs, call-in pay, longevity pay, etc.) not the least of which is wage parity across agencies, that will have a bearing on an increase in wages, whether it be by a cents per hour or percentage basis.

Considering the apparent stability in the City's receipts and expenditures "Total All Funds" budget for the month of December, 2005 and year to date (City Exhibit A), the fact that the City has tentatively agreed to a $0.05 cents per hour increase in shift premium for the afternoon and midnight shift, one additional holiday (Martin Luther King Day), a $50.00 per annum improvement in clothing allowance, the Union's tentative agreement to begin contributing to the cost of health insurance <u>and</u> in the interest of moving the parties toward final agreement, I make the following recommendations:

2.0% increase effective retroactive to January 1, 2006
2.0% wage increase effective January 1, 2007
3.0% wage increase effective January 1, 2008

This should allow the City time to thoroughly examine its budget allocation in preparation for the 3.0% increase (in the third year) which is intended to offset somewhat the Union's increase in health insurance premium in the third year of the collective bargaining agreement.

The proposed language of ARTICLE 20, WAGES, is recommended to read as follows:

"ARTICLE 20

WAGES

Section 20.1 All employees shall receive wages and appropriate overtime work payment in accordance with the following schedules effective January 1st of each year:

Classification	Year 2006	Year 2007	Year 2008
Captain	$23.15	$23.61	$24.32
Captain Detective	$23.15	$23.61	$24.32
Police Officer	$20.48	$20.89	$21.52
Dispatcher	$19.15	$19.53	$20.12

Section 20.3 and Section 20.4 can be eliminated at the parties' discretion.

The language of Section 20.5, with the exception of re-numbering, remains as expressed in the current agreement.

This wage recommendation is predicated on the approval and acceptance by both parties (City and Union) of all articles tentatively agreed to by the parties.

This fact-finding report is submitted by:

Richard D. Sambuco

Richard D. Sambuco, Fact-Finder

Belmont County, Ohio
March 28, 2006

CERTIFICATE OF SERVICE

This is to certify that a true copy of the Fact-Finding Award for the City of Dover, Ohio and the Fraternal Order of Police, Lodge 4 – Dover Division, was sent to the parties by overnight mail and to the State Employment Relations Board by regular mail on this day, March 29, 2006. The Fact-Finding Award was served upon:

Mr. Mark E. Drum, Staff Representative
Fraternal Order of Police, Ohio Labor Council
222 East Town Street
Columbus, OH 43215

Mr. Zack Space, Law Director
City of Dover, Ohio
714 N. Wooster Avenue
Dover, OH 44622

Mr. Craig R. Mayton
Executive Director/Administrator
Bureau of Mediation
SERB
65 E. State Street, 12th Floor
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Richard D. Sambuco

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