STATE EMPLOYMENT
RELATIONS BOARD

2006 APR 12 A 10: 54

IN THE MATTER

OF

FACTFINDING

BETWEEN

CITY OF BELLEFONTAINE

AND

OHIO PATROLMEN'S BENEVOLENT ASSOCIATION

Date of Hearing:	April 5, 2006
Location:	City of Bellefontaine; Administrative Offices
Case No.:	05-MED-10-1107; 1108; and 1109
Date of Award:	April 10, 2006
Finding:	Each recommendation is specifically addressed below.

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OPINION AND AWARD

Michael Paolucci
Factfinder

Administration

By letter dated February 24, 2006, from Craig R. Mayton, the Executive Director/Administrator with the Bureau of Mediation, the undersigned was informed of his designation to serve as Factfinder in a procedure as mandated by R.C. 4117.01, et al., more specifically R.C. 4117.14(C)(3). On April 5, 2006, a hearing went forward in which the Parties presented testimony and documentary evidence in support of positions taken. The record was closed upon the submission of final arguments and the matter is now ready for factfinding recommendations.

Unresolved Issues presented

The following five (5) issues were presented for factfinding:

1. Health Insurance – Article 24;
2. Wages (percentage increase) - Article 29;
3. Wage (Longevity Supplement) - Article 29;

* * *

Under R.C. 4117.14(E) & (G)(7), a Factfinder is required to give consideration to certain factors in choosing between the Parties' proposals, on an issue-by-issue basis. That statute reads as follows:

> (e) The board shall prescribe guidelines for the fact-finding panel to follow in making findings. In making its recommendations, the fact-finding panel shall take into consideration the factors listed in divisions (G)(7)(a) to (f) of this section.
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> * * *
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> (G)(7) After hearing, the conciliator shall resolve the dispute between the parties by selecting, on an issue-by-issue basis, from between each of the party's final settlement offers, taking into consideration the following:
>
> (a) Past collectively bargained agreements, if any, between the parties;

(b) Comparison of the issues submitted to final offer settlement relative to the employees in the bargaining unit involved with those issues related to other public and private employees doing comparable work, giving consideration to factors peculiar to the area and classification involved;
(c) The interests 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;
(d) The lawful authority of the public employer;
(e) The stipulations of the parties;
(f) Such other factors, not confined to those listed in this section, which are normally or traditionally taken into consideration in the determination of the issues submitted to final offer settlement through voluntary collective bargaining, mediation, fact-finding, or other impasse resolution procedures in the public service or in private employment.

* * *

The remaining unresolved issues are addressed giving consideration to all of the necessary statutory elements.

Factual Background

The Employer is the City of Bellefontaine; its approximately twenty-six (26) bargaining unit members comprised of Radio Dispatchers (4), Patrol Officers (18) and Sergeants (4) are represented by the Union in three (3) separate bargaining units. Agreements for all three (3) different bargaining units were submitted hereunder.

The City has suffered through recent financial problems and has taken significant steps to cut costs; including layoffs and a zero percent (0%) wage increase in the previous year. Because of its cost cutting, it is able to afford competitive wage increases for this contract period. The future is of concern. This brief financial background is given as a way to set forth the conditions against which the recommendations made herein have been made.

Contentions of the Parties And Recommendations of the Factfinder

The following issues were presented at the hearing:

1. Health Insurance – Article 24;
2. Wages (percentage increase) - Article 29;
3. Wage (Longevity Supplement) - Article 29;

Union Position

In calendar year 2005, all bargaining units accepted a wage freeze in recognition of the City's alleged difficult financial condition. Thus none of the bargaining unit employees have received a wage increase since January 1, 2004. During that same time period, the Employee's share for the monthly premium for family plan health insurance has risen.

A review of the available data indicates that the average public sector wage increase for calendar year 2005 was slightly in excess of three percent (3%). Consequently, bargaining unit

members need at least a four percent (4%) increase simply to make up for the loss of any wage increase in 2005, coupled with the increased cost of health insurance, before even considering comparables and other statutory factors which contribute to the analysis of what constitutes a fair wage increase for the remainder of the contract.

City Position

The City of Bellefontaine predicates its presentation on its current financial condition. The City has experienced significant problems concerning its revenue sources. The primary funds available for police department expenses have not seen revenue maintain pace with expenditures, due to an actual reduction in those revenues. Moreover, as a percentage of the General Fund, it cites the continued increase in the use of the General Fund for wages (from 27% to 30.83%) for the police. Since general fund receipts are decreasing; and since its proposal is fair compared to other jurisdictions, it contends that its proposal should be adopted.

As for the Health Insurance, it points out that the proposal is fair compared to other jurisdictions; is better than other City employees; and is better than the 85/15 structure that has been in place for some time. It argues that the Health Insurance benefit it proposes is better than the police could expect in other similar jurisdictions.

Recommendations

After giving careful consideration to each of the Parties' arguments, it is recommended that the following changes be made:

1. Health Insurance – the Union health insurance proposal is a reasonable method of more

moderately increasing the employee's contribution from the current method. It recognizes that the contributions from employees should increase, but it does not phase in the changes as radically as the Employer's proposal, and is thus more fair. As a result, the Union's proposal on health insurance is recommended.

2. Wages – The City's proposal of a 3% increase in each year of a three (3) year Agreement for all bargaining unit employees effective January 1, 2006 is recommended. The City showed that it has reasonably and responsibly taken steps to control its financial issues. Its proposal is reasonable in light of the circumstances and light of the comparables that support the proposal even if the financial condition were not considered. Therefore, the City's proposal is recommended.

3. Wages (Longevity) – the *status quo* (City's proposal) is recommended. There is no justification to a change in this benefit, and none is recommended. The fact that the benefit was recently negotiated out of the Agreement made its inclusion here illogical.

Remaining Unaddressed Issues

All other issues not specifically addressed are ordered to be the Tentative Agreement.

Award

The recommendations are hereby as more specifically set forth above.

April 10, 2006
Cincinnati, Ohio

Michael Paolucci