



## **Submission**

The Parties in the present negotiation have had an ongoing collective bargaining relationship culminating in an Agreement that obtained through December 31, 2005. Mutually agreeing to an extension of the statutory deadlines, the Parties met in negotiations toward a successor contract on a number of occasions prior to reaching impasse on the issues enumerated below. Pursuant to the provisions of Ohio Revised Code 4117.14(C)(3), the undersigned was appointed Factfinder in the matter.

Having reached impasse, the Parties requested that the Factfinder attempt mediation of unresolved issues prior to holding an evidentiary hearing. A mediation session was accordingly convened on March 24, 2007 at the City of Broadview Heights City Hall in Broadview Heights, Ohio. Mediation failed to resolve the remaining issues below. Accordingly, an evidentiary hearing was held on April 24, 2007, in Broadview Heights, Ohio, at which the Parties were afforded an opportunity to present evidence and testimony, and to cross examine witnesses. The matter was declared closed as of the date of hearing.

## **ISSUES AT IMPASSE**

The Parties identified and presented the following issues as unresolved:

- 1. Article 28 - Compensation**
- 2. Article 30 – Uniform Allowance**
- 3. Article 31 – Insurance, Appendix I & II**
- 4. Article 23 – Sick Leave Bonus/Return\***

\* Resolved by mutual agreement of the Parties.

### **STATUTORY CONSIDERATIONS**

In weighing the positions presented by the Parties, the Factfinder was guided by the considerations enumerated in OAC 4117-9-05(K), *et seq*, specifically:

- 4117-9-05(K)(1)** Past Collectively bargained agreements, if any, between the parties;
- 4117-9-05(K)(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;
- 4117-9-05(K)(3)** 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;
- 4117-9-05(K)(4)** The lawful authority of the public employer;
- 4117-9-05(K)(5)** Any stipulations of the parties;
- 4117-9-05(K)(6)** Such other factors, not confined to those listed above, which are normally or traditionally taken into consideration in the determination of the issues submitted to mutually agreed-upon dispute settlement procedures in the public service or in private employment.

### **BACKGROUND AND STATUTORY CONSIDERATIONS**

Located in southeastern Cuyahoga County, Broadview Heights (hereinafter City or Employer) is an outer-ring suburb of Cleveland, with a population of some 16,000. The City's average annual income, education and property values are all above state and national averages. The Ohio Patrolmen's Benevolent Association (OPBA or Union) has represented the Employer's seven full-time Dispatchers since the 1980s.

Broadview Heights has sustained considerable development over the last decade. However, the City contends that its growth has slowed or declined recently, and that as a consequence it is "not doing as well as one might expect." Indeed, it characterizes its financial situation as "limping along; paying our bills". In fact, the City has faced some

reductions in revenues and additional costs, e.g., a landfill that both generated tipping fees and other revenue, and provided for free dumping, closed recently. As well, the City's Police Department is short several police officers, requiring an increase in its budget in that area.

Income tax revenue represents 60% of City's income. Documents submitted by the Employer indicate RITA income tax collections on behalf of Broadview Heights for the first four months of 2007 - \$2,522,888.15 - were some \$1,139.86 below 2006 levels and just over \$127,000 less than budgeted. However, while the City's General Fund balance declined somewhat from its \$1,772,974.75 2005 carryover, its receipts exceeded its expenditures for the period, and it retained an unencumbered balance of \$1,672,964.20 at the beginning of 2007. Additionally, members of the bargaining unit dispatch for Seven Hills, generating slight, but positive revenue for the City. Consequently, notwithstanding the financial difficulties cited by the City, its situation does not rise to the level of inability to pay the OPBA Dispatcher's proposed wage and compensation increases contemplated by OAC §4117-9-05(K)(3).

Not unusually, the Parties disagree as to appropriate peer communities with which to compare the wages and benefits of Broadview Heights Dispatchers. In making his recommendations regarding the City's Police Officers, Factfinder Mancini specifically referenced North Royalton, Strongsville, Brook Park and Berea as among those communities with which he compared the City. The City presents North Royalton, Brecksville, Independence, Strongsville, Middleburg Heights, Brook Park, Parma and Parma Heights, as well as the SERB Annual Wage Settlement Report. The OPBA submits information from Brooklyn, Garfield Heights, Bedford, Bedford Heights, Solon, and argues that Brecksville, used in City previous City comps, is not organized. The Union also submits data regarding Cuyahoga County jurisdictions of between 10 and 20 in population.

As with most jurisdictions in Ohio, it is difficult, if not impossible, to find true peer communities with which to compare Broadview Heights directly. It is, however, reasonable to believe that the statutory admonition to consider "other public and private employees doing comparable work, giving consideration to factors peculiar to the area and classification involved" is intended to maintain employees at relatively comparable local market wage rates. Thus, the Factfinder notes that communities contiguous to Broadview Heights are: Parma, Seven Hills, Independence, North Royalton, Brecksville, and Hinckley and Richfield

Townships. Of these, Brecksville is, as the Union notes, not organized, but pays competitive wages and benefits. As indicated above, Broadview Heights provides dispatch services for Seven Hills. Also, as Townships, Hinckley and Richfield have very different taxing authorities and revenue sources, and thus cannot serve as credible comparators.

In consideration of these factors, and those enumerated below, the Factfinder respectfully renders this Report & Recommendations.

## **FINDINGS AND RECOMMENDATIONS**

### **1. ARTICLE XXVIII - COMPENSATION**

#### **Current Contract Provision:**

*20.03 Dispatchers assigned to a 3-shift rotating schedule shall be eligible for an annual bonus of \$275.00 to be paid in December of each year. The annual bonus shall be prorated on the basis of each three (3) months in which the employee works any type of rotating shift.*

\* \* \*

*28.02 In addition to the compensation specified in section 28.1, full-time Dispatchers who have completed their probationary periods shall be entitled to an annual performance bonus, as determined by the Chief, and approved by the Mayor, in an amount ranging from \$0 - \$500. Determined and approved bonus payments are intended for months of active service only, and, therefore will be prorated as required. Determined and approved bonus Payments will be paid in December of 2004 and 2005.*

#### **OPBA's Proposal:**

The Union does not reject the City's proposed 3% annual wage increase.

In addition to those increases, the OPBA proposes the combination of two existing bonuses – the premium rotating shift provision of §20.03 and the performance bonus of §28.02 – into a single annual bonus of \$1,600 for 2006, \$2,000 in 2007, and \$2,300 in 2008. Additionally, the OPBA proposes elimination of language allowing the existing performance bonus to be discretionary rather than automatic.

The Union argues that the amounts proposed by the OPBA mirror the total of combined bonuses recommended for the Police and supervisory personnel by Factfinder Mancini, and were similar to those offered the City's Corrections Officers.

In support of this position, the Union submits compensation data from what it maintains are comparable communities, indicating that bargaining unit members are slightly lower than the area average. Moreover, the Union points out that Dispatchers in Broadview Heights also dispatch for Seven Hills, whose 12,000 additional residents increase the workload of bargaining unit members commensurately.

**Employer's Position:**

The City proposes wage increases of 3% per year in each of the Agreement's three years. This increase corresponds to a pattern established by all unrepresented City employees, as well as the City's Police and Corrections Officers and the Teamster's.

The Employer opposes removal of the discretionary nature of the existing performance bonuses, as proposed by the Union, as well as any increase in bonus amounts. The Employer argues that its Dispatchers are well compensated, and exceed the average compensation of dispatchers in comparable surrounding communities submitted by the City.

The discretionary component permits the City to be flexible in its expenditures; awarding the bonus in those years in which there is income to do so, and declining the expenditure in years in which revenue is short.

The Employer rejects the Union's argument that an increase in Dispatchers' bonuses is warranted by the increase given the City's Patrol Officers. That Agreement was based on the Factfinder's determination that "the total compensation paid to patrolmen here falls below the average of that provided to officers in neighboring jurisdictions." The jurisdictions on which the Factfinder based his findings were North Royalton, Strongsville, Brook Park and Berea. Based on those communities and others submitted, the City argues that the Dispatchers are above the average and thus it is not necessary to award the bonus increase intended to bring the Patrol Officers to parity.

As the City has had no problem retaining qualified Dispatchers, and the compensation afforded bargaining unit members is equal to other neighboring communities, the 3% annual raise is appropriate and any increase in bonuses is

unwarranted.

**Findings and Recommendation:**

While the peer communities submitted by the Parties as comparable vary somewhat as to the exact position of the City's dispatchers with regard to total compensation, there is no compelling indication that bargaining unit members are drastically below area market wage rates. Indeed, even accepting the Union's comparable figures, Broadview Heights Dispatchers are at 97.53% of the \$42,972.62 2005 presented average for 10 year employees, and almost 99% of the 2006 average of \$44,477.74. Further, there was no indication that the City is having difficulty attracting and retaining qualified Dispatchers; in fact, virtually all agreed that bargaining unit members are exceptionally qualified and long-termed. Clearly, no major adjustment to wage rates is necessary in order to raise OPBA members to prevailing market levels.

The City proposes increases in wages of 3% in each of the three years of the Agreement. In part, its rationale for this proposal is that the rate is consistent with an established pattern, accepted by the Police and other represented units, as well as the City's unrepresented employees. The Union is not opposed to a 3% wage increase, but seeks that the present performance bonus be increased, made non-discretionary, and combined with the current rotational shift pay. The OPBA bases this request on the recommendation of Factfinder Mancini in the Patrol negotiations.

Internal parity within the Department would seem to support the Union's argument; if the City bases its compensation proposal on an established pattern, at least part of that pattern as regards the Police Department was the bonus mechanism recommended by the Factfinder and accepted by the Parties. To ignore that some members of a department received bonuses, while others did not would be to open the door for potential resentments possibly affecting job performance and the public good.

Moreover, as a general matter, this Factfinder favors the combining of disparate bonuses and premiums where possible, in the interests of efficiency and public transparency. Finally, a discretionary bonus is not a tangible benefit. If, as

has happened in the past, it is not awarded, the good faith relationship between the Parties is eroded.

However, notwithstanding the Factfinder's determination that internal parity and other factors militate for combination of the two existing bonuses and elimination of the Employer's discretion as to whether they should be awarded at all, the Dispatchers' position is somewhat different than that of the Police unit. The Factfinder's recommendation of increasing annual bonuses in that matter was predicated on that bargaining unit's being substantially below average with regard to comparable area jurisdictions. The Dispatchers are somewhat less below norms than were the Patrol Officers at the time of the Factfinder's recommendation. Therefore, less adjustment in the bonus amounts is required.

The combined amount of the bonuses in the current contract – when they are awarded – is Seven Hundred Seventy-five dollars (\$775) per year. Consideration of the relative positions of the two units indicates that raising that amount by Two Hundred Twenty-five dollars (\$225) annually is appropriate.

Accordingly, the Factfinder recommends that the Shift Rotation bonus be combined with the current Performance Bonus in §28.02; that the bonuses not be discretionary; and that the amount be fixed at One Thousand dollars (\$1,000) per year in each year of the Agreement.

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~~28.02 In addition to the compensation specified in section 28.1, full-time Dispatchers who have completed their probationary periods shall be entitled to an annual performance bonus in the amount of \$1,000. as determined by the Chief, and approved by the Mayor, in an amount ranging from \$0 – \$500. Determined and approved bonus payments Performance bonuses are intended for months of active service only, and, therefore will be prorated as required. Determined and approved bonus Payments will be paid in December of each year.~~

## **2. Article XXX – Uniform Allowance**

### **Current Contract Provision:**

*30.02 All non-probationary employees shall receive an annual uniform allowance in the amount of Five Hundred Fifty Dollars (\$550.00). Five hundred fifty dollars.*

*\* \* \**

*30.04 All employees shall receive, on or about December 1, 2004, a maintenance allowance for uniforms in the amount of One Hundred Fifty Dollars (\$150.00). All employees shall receive on or about December 1, 2005, a maintenance allowance amount for uniforms in the amount of Three Hundred Dollars (\$300.00).*

**OPBA's Proposal:**

The Union proposes to increase the current annual uniform allowance of \$550 to \$600, and to provide all non-probationary bargaining unit members a \$425 annual uniform maintenance allowance.

The OPBA argues that during the course of negotiations it had proposed an increase in the uniform allowance and no increase in the amount of the maintenance allowance. It maintains that the City had added an increase in the maintenance allowance in a subsequent proposal.

**Employer's Position:**

The City contends that the current uniform allowance is equal to or greater than that provided dispatchers in comparable jurisdictions. In fact, the present uniform maintenance allowance was intended to be paid only once, and not to extend beyond the expiry of that Agreement.

The Employer rejects the OPBA's reliance on a prior proposal, arguing that it was made as part of a package of proposals intended to result in an Agreement based on a 3% annual wage increase, in conformity with a pattern established in negotiations with other bargaining units and the City's unrepresented employees. Negotiations having reached impasse and progressed to Factfinding, the City asserts that the proposal was withdrawn.

**Findings and Recommendation:**

The Union contends that it had accepted a City proposal with regard to §30.04, and believed the matter settled. The City maintains that its offer was made as part of a broader settlement package, and was withdrawn when that package was not accepted. Significantly, neither Party offered compelling evidence that



far been able to successfully negotiate moderate increases in recent years, the increase in prescription drug costs particularly make future increases likely.

The City's proposal here has been accepted by the City's Patrol Officers, Police Sergeants, Firefighters, Corrections Officers, Teamsters and unrepresented City Employees.

Citing the widely publicized General Motors estimate that the cost of health care coverage adds \$1,500 to each GM car, the City points out that passing on such costs are practicable in the private sector, public sector employers are unable to pass the increased costs to anyone but the taxpayers.

**OPBA's Position:**

The Union argues that while cost of health care is going up on a national basis, it is not escalating in the City at more than a moderate rate. In fact, the OPBA offers evidence indicating that at the end of 2006 the Employer's rate of increase was only around 3.5%. Moreover, in January of 2007, the City's insurance broker was quoted as opining that Medical Mutual might drop the rate an additional 1%, and that other carriers had quoted comparable plans with increases as low as 1.45%.

Further, bargaining unit employees agreed to participate in health care premiums in a previous contract. The City has yet to reach caps on Employee participation under that Agreement.

The OPBA objects particularly to proposed increases in prescription drug coverage. Under previous Agreements, the cost of a three month mail order prescription was the same as the cost of a monthly prescription. The City's proposal would make many prescriptions less costly if purchased monthly at a pharmacy, according to the Union; a situation it contends would harm several bargaining unit members presently on maintenance medications.

Finally, the Union proposes the addition of a vision plan to the current medical coverage. Bargaining unit members must monitor several computer screens for the entirety of their shifts. Many surrounding jurisdictions, the OPBA contends, offer vision coverage; there is no reason that an affluent community

such as the Employer should not do the same. In that regard, the Union rejects the City's comparable data, characterizing it as "lopsided at best".

**Findings and Recommendation:**

The Union's argument that, despite escalating national and state trends in health care costs, the City's costs have risen only minimally in recent years is well-taken. However, it is also clear that the greatest increase in expenditures is at present in the cost of prescription drugs. That trend is likely to continue in the future, and the City is prudent in attempting to control those expenses in order to continue to keep increases in its general health care expenditures in line.

Perhaps more importantly with regard to these findings and recommendations is the fact that all of the City's unrepresented employees – including the Mayor – and a majority of its organized workers are or will be covered by the Employer's proposed increases. Notwithstanding that the increases may impact some bargaining unit members adversely, it is unfeasible to impose on the City the obligation to maintain a discrete, unique prescription drug plan for this unit alone.

There was some indication, however, that the figures on which Factfinder Mancini's recommendation was based were erroneous. Therefore, while this Factfinder will recommend the City's proposal for increases in both co-pays and prescription drug coverage, it will be with the caveat that those increases not exceed those imposed on other bargaining units having entered into new agreements, or on unrepresented City employees.

No other unit or unrepresented Broadview Heights employee receives the vision plan proposed by the Union. In fact only some 29.3% of public sector employees statewide receive vision coverage. Therefore, neither internal parity nor general public sector policy supports recommendation of the Union's proposal.

<b><i>Office Visit Co-Pay:</i></b>	<b><i>\$15.00</i></b>
<i>Prescription Drug Benefit</i>	
<i>Retail Prescription Co-Pay</i>	<b><i>\$10.00 generic/\$15.00 name brand</i></b>
<i>Mail Order Prescription Co-Pay</i>	<b><i>\$20.00 generic/\$30.00 name brand</i></b>

**SUMMARY**

**FINDINGS AND RECOMMENDATIONS**

**1. Article 28 - Compensation**

*3%-3%-3%*

*\$1,000 annual non-discretionary performance bonus.*

**2. Article 30 – Uniform Allowance**

*Current contract levels maintained*

**3. Article 31 – Insurance, Appendix I & II**

*Employer's proposal for increased office and prescription drug co-pays recommended.*

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Gregory James Van Pelt

Respectfully submitted this 13<sup>th</sup> day of August, 2007  
At Shaker Heights, Cuyahoga County, Ohio