

STATE OF OHIO
STATE EMPLOYMENT RELATIONS BOARD
FACT-FINDING PROCEEDINGS

FINDINGS & RECOMMENDATIONS

AS ISSUED

GREGORY JAMES VAN PELT

October 15, 2008

IN THE MATTER OF:

City of Fairlawn
(Employer)

-and-

Fraternal Order of Police
Ohio Labor Council
(Union)

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SERB Case Nos.: 07-MED-09-0869(Sgts)
07-MED-09-870(Patro)

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STATE EMPLOYMENT
RELATIONS BOARD

APPEARANCES:

On Behalf of the Employer:

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Director of Law

On Behalf of the Union:

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Staff Representative

Submission

The Parties in the present negotiation have had an ongoing collective bargaining relationship culminating in an Agreement that obtained through December 31, 2007. 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 Fact-finder in the matter.

Having reached impasse, the Parties requested that the Fact-finder attempt mediation of unresolved issues prior to holding an evidentiary hearing. A mediation session was accordingly convened on July 21, 2008 at the Fairlawn City Hall in Fairlawn, Ohio. Mediation resulted in settlement of proposals at impasse between the Parties, but failed to resolve the remaining issues below. Accordingly, an evidentiary hearing was held following mediation, at which the Parties were afforded an opportunity to present evidence and testimony, and to cross examine witnesses.

Subsequent to hearing, the City moved on a number of occasions to reopen the record in order to submit into evidence collective bargaining agreements between the Employer and various safety and non-safety bargaining units. Those motions were granted over the continuing objection of the FOP. The last of these submissions was filed, and the matter declared closed, on September 12, 2008.

ISSUES AT IMPASSE

The Parties identified and presented the following issues as unresolved:

- 1. Article 18 – Sick Leave**
- 2. Article 23 – Wages**
- 3. Article 25 – Insurance**
- 4. Article 32 – Shift Preference***
- 5. Article 37 – Incentive Programs - STEP***
- 6. Article 37 – Incentive Programs**
- 7. Article 43 – Duration of Agreement***

***Resolved in pre-hearing mediation.**

STATUTORY CONSIDERATIONS

In weighing the positions presented by the Parties, the Fact-finder 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

Located in Summit County west of Akron, the City of Fairlawn (City or Employer) provides fire and police services to its somewhat more than 7,000 residents. The City's approximately 25 Police Patrol Officers and 5 Sergeants are represented in separate bargaining units by the FOP Ohio Labor Council (FOP or Union). The Parties relate under the terms of two collective bargaining agreements, both of which took effect on January 1, 2005 and obtained through December 31, 2007. (Hereinafter, discussion and recommendation of provisions denote applicable Agreement.)

Fairlawn is, by its own admission, an affluent bedroom community of Akron, Ohio. A Regular Audit conducted by the Auditor of State for the year ended December 31, 2006 indicates that in December of 2006, the City's assets exceeded its liabilities by some \$75 million. Of the Employer's three major funds, the General Fund had revenues of over \$10.5 million in 2006, with expenditures of \$9.5 million, and increase in fund balance of 16.60%, or somewhat less than \$1 million. According to an annual report submitted to the Mayor by the Assistant Finance Director in January of 2008, the City entered the year with an unencumbered balance of somewhat less than \$4 million.

If the City's ability to pay the compensation increases sought by the Union is not at issue, neither are the wages and benefits paid members of the present bargaining unit significantly below market wage rates in the area. SERB Benchmark Data submitted by the FOP reveals wages of, e.g., \$58,385 for patrol officers in Willoughby Hills, a community whose suburban population is roughly equivalent in size and affluence to that of Fairlawn, as compared to the \$58,107 earned by the City's patrol officers.

In consideration of the above, as well as the factors discussed below, the following report is respectfully rendered.

FINDINGS AND RECOMMENDATIONS

ARTICLE 18 SICK LEAVE (Patrol and Sergeants' Agreements)

Union Proposal:

The FOP proposes elimination of language in Article 18.2 excluding bargaining unit members hired after January 2nd of 1993 from payout of certain accrued sick leave benefits on retirement. The Union argues that the provision creates a two-tiered system, not conducive to bargaining unit cohesion.

Employer's Position:

The City proposes no changes to the current contract language.

Findings and Recommendations:

The Parties reached tentative agreement to revisions of certain provisions of Article 18, but were unable to resolve the matter of sick leave payout on retirement. The Union's argument that internal tensions within the bargaining unit result from the present two-tiered system is persuasive, and the following language is recommended:

*Section 18.2. Eligibility. Each employee shall earn **ten (10) hours of sick leave** ~~one and one-fourth days~~ with pay for each completed month of service. There shall be no limit to the number of sick leave hours earned by bargaining unit members. Upon retirement **or death any the employee with 15 years of full time service (not counting lateral transfer time) with the City of Fairlawn shall be paid at his rate of pay at retirement for up to six hundred (600) hours 90 days of unused sick leave. Any employee who was granted seven hundred twenty (720) hours or more than 90 days prior to this Agreement for payment at retirement shall retain the right for said payment, and be paid at his rate of pay at retirement. Employees hired January 2, 1993, or after, do not have the option to cash in accumulated sick leave, and shall not receive any payment on accumulated but unused sick leave upon retirement.***

ARTICLE 23 WAGES (Patrol and Sergeants' Agreements)

Employer's Proposal:

The City proposes wage increases of 3% in each of the three contract years. Fairlawn Police

Officers and Sergeants are among the highest paid in Summit County, according to the Employer. Annual increases of 3% are consistent with increases provided the City's full-time Fire/Medics, while Sergeant's wages are equivalent to those of Fire Lieutenants.

Union Position:

The Union proposes a 5% annual wage increase in each of the Agreement's three years. In addition the FOP proposes changes to Section 23.1 of the Sergeant's Agreement reducing the number of years necessary to attain the highest pay rate.

In support of what it concedes might be perceived as a request for a relatively high increase, the Union argues that suburban police departments such as Fairlawn's traditionally pay higher wages than urban areas. Additionally, Fairlawn Police Officers must complete eight years of service before reaching the top pay level; Sergeants require six years of service. The Union contends that in surrounding communities police officers reach maximum pay levels after only three to five years of service.

Findings and Recommendations:

As discussed above, the City's ability to pay the wage increases sought by the FOP is not at issue; clearly the Employer's financial position would enable it to increase police and sergeant's compensation by 15% over the three years of the successor Agreement.

However, a public employer's enviable fiscal circumstances do not, in and of themselves, warrant wage increases to its employees. Here, there is little evidence that Fairlawn Police Officers and Sergeants are appreciably below market wage rates for the area. Nor was there substantive evidence that Fairlawn has difficulty attracting or retaining qualified police officers, notwithstanding that it may not have attempted to do so.

The Fact-finder takes notice that the 2007 SERB Annual Settlement Rate Report indicates an average wage settlement rate for police officers of 3.22%. Accordingly the following wage increases are recommended:

PATROL AGREEMENT

Section 23.1. Wages. Beginning on January 1, 2008, and effective through December 31, 2010, the salary schedule for bargaining unit members shall be as follows:

	<u>2008</u>	<u>2009</u>	<u>2010</u>
	3.0%	3.75%	3.75%
0-1 years	\$44,179.93	\$45,836.68	\$47,555.56

1-2 years	\$49,812.54	\$51,680.51	\$53,618.53
2-3 years	\$52,670.67	\$54,645.82	\$56,695.04
3-4 years	\$55,532.70	\$57,615.17	\$59,775.74
4-8 years	\$58,390.62	\$60,580.27	\$62,852.03
Over 8 years	\$59,850.39	\$62,094.77	\$64,423.33

Section 23.2. The wage rate shall be determined at the police officer's completed years of service, effective on the officer's anniversary date of his or her date of employment.

SERGEANTS' AGREEMENT

Section 23.1. Wages. Beginning on January 1, 2008, and effective through December 31, 2010, the salary schedule for bargaining unit members shall be as follows:

	<u>2008</u>	<u>2009</u>	<u>2010</u>
	3.0%	3.75%	3.75%
0-1 year	\$62,244.39	\$64,578.56	\$67,000.25
1-6 years	\$64,734.18	\$67,161.71	\$69,680.28
Over 6 years	\$67,323.54	\$69,848.17	\$72,467.48

Section 23.2. A Sergeant attaining 1 full year in rank shall receive the higher rate of pay effective on the anniversary date of his/her promotion. Percentages increases will thereafter be effective on each January 1st.

ARTICLE 25
INSURANCE
(Patrol and Sergeants)

Employer's Proposal:

The City argues that the current contract provisions are unduly burdensome in their requirement to maintain similar or comparable health insurance coverage for bargaining unit members. The Employer's annual costs for health insurance coverage are \$15,507 for a family plan, and \$5,169 for single coverage. That cost for single coverage is consistent with SERB data for similar communities, according to the City; however, the family plan cost is appreciably more per employee than that indicated by the SERB data for cities in the Akron-Canton area of less than 25,000 population and a group size of less than 100. The Employer characterizes its current health care coverage as "rich", with a \$0 deductible for in-network health care expenses; \$10 office co-pays; and prescription drug co-pays of \$7-\$15-\$30.

In addition, the City argues that it funds a Health Reimbursement Arrangement (HRA) outside the context of the collective bargaining agreement in annual amounts of \$2,150 for family and \$1,150 for single plans. That HRA can be used by employees to cover office and prescription drug co-pays, and other health, dental or vision expenses not otherwise compensable under the City health insurance coverage. Moreover, the City maintains that it pays \$821 for family and \$260 for single dental insurance.

The language of the current Agreements amounts to a “one-way cap” on the annual contribution of bargaining unit members, according to the Employer. While bargaining unit members are capped at \$120 per month for single plans and \$240 for other coverage, SERB data indicate that employees in similarly situated political subdivisions contribute on average from 10% to 12% of the cost of health care coverage. Accordingly, the City proposes that bargaining unit members pay 10% of the cost of health care premiums.

The City argues that its obligation to provide similar or comparable insurance coverage is unrealistic in the changing health insurance industry. As plans become “scripted” or grandfathered other insurance companies, who do not offer comparable plans, will decline to quote costs for coverage, leaving incumbent carriers free to charge what they wish in the absence of competitive bidding.

Given the richness of the City’s present health care coverage, the Employer argues that the similar or comparable requirement creates a burden that it cannot continue to meet.

Union Position:

The FOP contends that it has assisted the City in containing health care costs in the past, even seeking out an independent insurance agent to review the Employer’s coverage and costs. That agent presented the City with a number of health care alternatives, one of which reduced the Employer’s premiums by some 25%, a city-wide cost savings of \$412,284 in the first year. Because that plan reduced benefit levels somewhat, the City and Union designed the Employer-funded HRA to offset benefit losses.

The FOP asserts that although the City’s insurance agent informed officials that Medical Mutual, the current provider, offered a one year contract with no premium increase in 2008 or a two year plan allowing a 9.5% increase in 2008, with no additional increase in 2009. Rather than accept what the Union characterizes as a reasonable 4.75% annual

increase over the two year period, the City opted for one year, and is now faced with further increases. Nonetheless, the FOP argues that the City is presently paying less for health care that it had anticipated paying in 2004.

The Union rejects the City's proposal for a percentage increase in employee premium contributions, contending that most police departments in the area pay fixed dollar amounts, and those that do pay a percentage enjoy a cap on contribution levels – a fact overlooked by the Employer in its reference to the 2007 SERB Annual Health Care Report. Accordingly, the Union proposes language that would cap employee contributions at \$20 per month for single coverage and \$10 per month for single coverage in 2008, with a 50% increase in that contribution level – or \$30 per month family, \$15 for single coverage – in January of 2009. In conjunction with this proposal, the FOP also proposes changes that would guide the Health Insurance Committee in selecting health care plans, but leave the Mayor to resolve any impasse subject to a premium increase limitation of 10%.

The FOP also rejects the Employer's proposal to eliminate the requirement of Section 25.1 that any change in policy provide benefit levels "similar to" those currently provided bargaining unit members. The Union argues that the provisions of Section 25.1 is reflective of a number of mature public sector collective bargaining agreements, and should not be gutted under the City's current proposal. For whatever reason, the Union argues, the City has determined to gut the entirety of the health care provisions, regardless of the cost and impact on employees and their families. Accordingly, the Union urges the Fact-finder to recommend the current contract language of Section 25.1.

Findings and Recommendations:

In the current – and foreseeable future – climate of health care coverage, the requirement that an employer provide coverage similar or comparable to existing plans is problematic. Many public sector employees – including members of the present bargaining unit - have traditionally enjoyed exceptionally rich health care benefits that may no longer be available to groups of fewer than 100 employees at all; or which, if available, are provided at such exorbitant rates as to exact an unmanageable burden on employers. Even in the relative affluence of communities such as Fairlawn, public sector employers cannot be subjected to the unpredictability of limitless health care premiums. Nor can they be held hostage by

carriers on the basis of benefits no longer offered at reasonable cost.

Evidence presented by the City at hearing, and in serial subsequent submissions of ratified contracts with its other bargaining units, indicates that the plan proposed by the Employer has been accepted in essence by other bargaining units and is applicable to non-represented City employees. In consideration of these factors, then, the City's proposal for revision of the language of Section 25.1 in accordance with the provisions of its collective bargaining agreement with Service Department employees, and others, is recommended.

However, as discussed below, it is axiomatic that any increase in premium contributions by bargaining unit members effects a reduction in actual wage rates. Accordingly, recommendation of the Employer's health care proposal is accompanied by a recommendation of modification of the longevity benefits to FOP members as set forth *infra*.
Section 25.1. City/Employee Contributions.

A. Health Insurance.

1. *The contribution toward the health insurance premium in 2008 shall be as follows: (a) the employee shall pay \$10.00 per month for single coverage and \$20.00 per month for employee/child(ren), employee/spouse and family coverage; and (b) the City shall pay the premium balance above the employee's contribution.*

2. *Effective January 1, 2009, employees shall pay the following health insurance premium contributions:*

<u>Effective Date</u>	<u>% of Monthly Premium</u>
January 1, 2009	3.0%
January 1, 2010	a) 3.5% of premium capped at premium increases up to 10% of premium; and, b) ½ of premium increases greater than 10% but capped at 15%

3. *The employee's contribution toward the health insurance premium shall be deducted from pre-tax dollars from the employee's paycheck pursuant to a Section 125 Plan, subject to IRS regulations.*

B. Dental Insurance.

1. *The City shall pay 100% of the cost of the dental insurance premium*

in 2008.

2. *Effective January 1, 2009, employees shall pay the following health insurance premium contributions:*

<u>Effective Date</u>	<u>% of Monthly Premium</u>
January 1, 2009	3.0%
January 1, 2010	a) 3.5% of premium capped at premium increases up to 10% of premium; and, b) ½ of premium increases greater than 10% but capped at 15%

3. *The employee's contribution toward the dental insurance premium shall be deducted from pre-tax dollars from the employee's paycheck pursuant to a Section 125 Plan, subject to IRS regulations.*

Section 25.2. HSAs. *If Health Savings Accounts (HSAs) are offered, the City will fund a participating employee's HSA at the level of up to but not more than 100% of the deductible. The City's contribution will be from the premium savings for the plan selected, generated by the employee's participation in a qualifying High Deductible Health Plan. The City will retain: (a) any premium savings remaining after funding an HSA at 100% of the deductible; and (b) any HRA balances that are not spent down as permitted by federal law by any employee enrolled in an HSA plan. HSA funding will be prorated monthly. For purposes of this Section, deductible means the in-network deductible for the HSA plan enrolled in.*

Section 25.3. HRAs. *Health Reimbursement Accounts (HRAs) will be maintained and funded by the City for the duration of this Agreement at the levels in effect as of the effective date of this Agreement (\$2,000 for family/\$1,000 for single), subject to applicable federal regulations governing HRAs. An employee may carry over up to half of the annual funded amount (\$1,000 for family/\$500 for single) of his HRA annually. This carry over will not count towards the amount the HRA is funded annually, however, the maximum funding in an account including the carry over is limited to \$3,000 for family/\$1,500 for single. In any year in which an employee is enrolled in an HSA plan, such employee will not receive the HRA contribution described in this Section. HRA balances are not subject to rollover into an HSA.*

Section 25.4. Vision/Dental. *In addition to the HSA described in Section 25.2 and the HRA described in Section 25.3, the City shall reimburse employees up to One Hundred Fifty Dollars (\$150.00) per year for qualified vision care expenses and/or for qualified unreimbursed dental care expenses as permitted by IRS regulations. This vision/dental benefit does not carry over but increases the maximum funding levels in Section 25.3 by \$150 and may be administered with an HSA or HRA as permitted by applicable IRS regulations. The employee shall provide the City with a receipt as proof of the cost of eye care services and unreimbursed dental care expenses.*

Section 25.5. Life Insurance. *The City shall provide life insurance for the bargaining unit members. The amount of life insurance shall be \$50,000.00. Employees may purchase at their own cost additional life insurance, if such option is offered.*

Section 25.6. Changes in Eligibility. *Any time a circumstance occurs which changes any insurance coverage eligibility (e.g., marriage, divorce, birth of child, dependent no longer eligible, etc.) for a covered employee and/or family member, the employee shall notify the Finance Department, in writing, with appropriate documentation, of such change within ten (10) calendar days of the event so the appropriate changes may be made to ensure proper insurance requirements and time-lines are met.*

Section 25.7. Cash Waiver Incentives.

A. *If there is one health insurance plan offered by the City and an employee voluntarily waives coverage or opts for less coverage than what the employee is eligible to receive, the employee shall receive a cash waiver incentive of twenty-five percent (25%) of the City's premium cost savings generated by the employee's participation in the cash waiver program.*

B. *The following scenarios apply if there is more than one health insurance plan offered by the City:*

1. *If an employee voluntarily waives coverage that he/she is eligible to receive, the employee shall receive a cash waiver incentive of twenty-five percent (25%) of the City's premium cost savings for the most expensive health insurance plan offered by the City.*
2. *If an employee voluntarily opts for less coverage than what he/she is eligible to receive, the employee shall receive a cash waiver incentive of twenty-five percent (25%) of the City's premium cost savings within the plan selected by the employee (i.e., any cash waiver incentives provided under any plan other than the plan selected are not applicable and may not be combined with the employee's cash waiver incentive).*

C. *Cash waiver incentives shall not be paid more than once to the same employee (i.e., there shall be no pyramiding of this benefit).*

D. *The cash waiver election may occur during open enrollment or when a "qualifying event" occurs (e.g., birth or adoption of a child, marriage, loss of coverage due to spouse's separation from employment, divorce, death, etc.), provided that no cash waiver election may be made on a retroactive basis. Cash waiver payments shall be paid monthly and shall be prorated, based upon the 12-month calendar year (January 1 – December 31).*

E. HRA funds shall be available to employees who waive coverage on the same terms as employees who elect health insurance coverage through the City for which an HRA is provided, subject to the rules for funding HRAs established by the applicable federal regulations.

F. Life insurance and dental insurance coverage shall be available to employees who waive health insurance coverage on the same terms as employees who elect health insurance coverage through the City.

G. Prior to making a cash waiver election, interested eligible employees shall submit verification to the City's Finance Department that the affected persons (employee and, if applicable, eligible dependents) are covered under other health insurance without a lapse in coverage as a result of the cash waiver election.

H. In waiving or opting for less coverage, employees shall be solely responsible to know, fully investigate and understand the differences between the City's coverage and the health care coverage which they have selected when opting out of the City's coverage, and for determining that the coverage which they have selected when opting out of the City's coverage is satisfactory to meet their needs.

Section 25.8. Married/Spouse Employees. City employees who are married to each other and are otherwise eligible for health insurance through the City shall be eligible to receive, if they have no eligible dependents, either two single plans (one each) or one employee/spouse plan; or, if they have one or more eligible dependents, either one shared family plan or one single plan and one employee/child(ren) plan.

Section 25.9 Health Insurance Committee.

A. The bargaining unit agrees to participate in a City-wide Health Insurance Committee, which shall meet at least once per quarter per year in order to address the rising cost of the City's health and/or dental insurance coverage and to explore options to contain the cost of such coverage. The Committee shall annually elect a Chairperson who shall be a voting member of the Committee and shall schedule the Committee's meetings and arrange for notice of the meetings to all Committee members. If the Committee is unable to elect a Chairperson, the Chairperson shall be appointed at random from among the Committee's voting members. There shall be no subcommittees of the Health Insurance Committee.

B. The Committee shall consist of voting members and non-voting members. The Committee's voting members are: one member representing the City's full-time non-bargaining employees; one member from the FOP representing the full-time Patrol Officers and Sergeants; one member from the IAFF representing the full-time Fire/Medics and Lieutenants; one member

from the IBT representing the full-time Laborers and Supervisors; and one member from the OPBA representing the full-time Communications Specialists (the Union designations are subject to change if any different employee organizations are subsequently recognized by SERB). All voting members of the Committee shall be participants in the City's health and dental insurance coverage. The Committee's non-voting members are: the Mayor or designee, the Finance Director or designee, the Law Director or designee, and the City's insurance agent/consultant as appointed by the Mayor.

C. The Committee shall have the authority to direct the City's insurance agent/consultant to obtain proposals. The Committee shall have the authority to decide, by a majority vote of its full voting members, the health and/or dental insurance coverage options available to the City's full-time employees. However, unless the Committee obtains the Mayor's express written approval, the Committee shall not have the authority to select any coverage/option (a) involving self-insurance by the City or (b) the City joining any insurance pool, group or consortium. In selecting health and/or dental insurance coverage options, the Committee shall contain the cost at a maximum increase of a 15% per year. Any health and/or dental insurance cost increase greater than 10.0% after 2009 will be shared equally by the employees and the City. If in any year the Committee is unable to reach a decision involving the selection of health and/or dental coverage within the City's normal time-frame for renewal, the Mayor shall be authorized to decide and implement the coverage, provided that: (a) the cost for the coverage does not increase more than 15%; and (b) the coverage was a plan that was considered by the Committee.

ARTICLE 37
INCENTIVE PROGRAMS
(Patrol and Sergeants)

Union Proposal:

The FOP urges rejection of the Employer's proposal to eliminate the off-duty weapon stipend provided under Section 37.7. That benefit was instituted in 2004 in consideration of bargaining unit members' assistance in enlisting an independent insurance agent whose involvement resulted in appreciable savings in health care premiums. While the stipend was intended to reward members of the FOP, it was subsequently offered to other bargaining unit employees of the City. Accordingly the Union asserts that it should be maintained.

Employer's Position:

The City proposes maintenance of the present \$30 per hour pay rate for STEP assignments. It argues that officers in other jurisdictions do not enjoy a similar benefit, and thus urges discontinuance of the Secondary/Off Duty Weapon Stipend.

Findings and Recommendations:

While the Fact-finder appreciates that other jurisdictions may not enjoy such a benefit, the Union's contention that the allowance was in appreciation for assistance to the City in obtaining better and less costly health insurance in the past is persuasive. Moreover, police officers are often in positions in which the maintenance of secondary weapons is prudent if not absolutely essential to the performance of their duties. Accordingly, the following is recommended:

Section 37.7. Secondary/Off-Duty Weapon Stipend. Bargaining unit members may (at their discretion) qualify annually with their personal off-duty weapon. (Such weapon shall meet Departmental standards.) Upon successfully qualifying, each bargaining unit member shall be entitled to a One Thousand dollar (\$1,000.00) stipend in 2008; Five Hundred Dollars (\$500.00) in 2009; and One Thousand Dollars (\$1,000.00) in 2010. The payments will be made in the next pay period after he/she qualifies, payable in a separate check from payroll. Bargaining unit members shall be eligible for this qualification stipend once each year of this Agreement.

ARTICLE 42
SENIORITY INCENTIVE
(Patrol)

Findings and Recommendations:

In support of its position regarding the extensive proposed changes to the health care provisions of Article 25, the Employer submitted a succession of tentative agreements and contract provisions ratified by other City bargaining units. Among these was that of the Employer's Agreement with its service employees. In that agreement the parties recognized the financial concession inherent in acceptance of the City's health care proposals, and the members of the service bargaining unit were accordingly afforded certain considerations with regard to the longevity provisions of their contract.

In addition to concessions made by the City's service and other represented employees with regard to health insurance, this Fact-finding Report recommends elimination

of language requiring the City to provide FOP members with health care benefits similar or comparable to those they have traditionally enjoyed. In recognition of the potential costs of that recommendation to Fairlawn Police Officers and Sergeants and in the interests of internal parity, the following modifications are recommended:

During the first year of this Agreement (January 1, 2008 through December 31, 2008) the language, terms and conditions under Article 42, Seniority Incentive shall remain as they were during the previous Agreement (January 1, 2005 through December 31, 2007).

Effective January 1, 2009, the language terms and conditions listed below shall take effect for the duration of this Agreement.

Seniority Incentive. Each employee who accumulates the following years of service with the Fairlawn Police Department shall be entitled to the following amounts:

<i>8 years, but less than 12 years</i>	<i>\$250.00 per year</i>
<i>12 years, but less than 15 years</i>	<i>\$750.00 per year</i>
<i>15 years, but less than 20 years</i>	<i>\$1,000.00 per year</i>
<i>20 years or more</i>	<i>\$1,250.00 per year</i>

Each of these payments shall be made one time on the last payroll of the calendar year in which the employee becomes eligible for such payment.

Sections 42.2 - 42.3 Current Language

ARTICLE 41
SENIORITY INCENTIVE
(Sergeants)

Findings and Recommendations:

See Patrol Agreement Article 42 above.

During the first year of this Agreement (January 1, 2008 through December 31, 2008) the language, terms and conditions under Article 41, Seniority Incentive shall remain as they were during the previous Agreement (January 1, 2005 through December 31, 2007).

Effective January 1, 2009, the language terms and conditions listed below shall take effect for the duration of this Agreement.

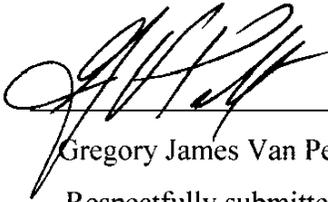
Section 41.1 Seniority Incentive. Each employee who accumulates the following years of service with the Fairlawn Police Department shall be entitled to the following amounts:

<i>8 years, but less than 12 years</i>	<i>\$250.00 per year</i>
<i>12 years, but less than 15 years</i>	<i>\$750.00 per year</i>
<i>15 years, but less than 20 years</i>	<i>\$1,000.00 per year</i>
<i>20 years or more</i>	<i>\$1,250.00 per year</i>

Each of these payments shall be made one time on the last payroll of the calendar year in which the employee becomes eligible for such payment.

Sections 41.2 - 41.3 Current Language

In addition to the above, the Fact-finder includes by reference herein and recommends all previous tentative agreements between the Parties entered into during the course of negotiations for this Agreement.



Gregory James Van Pelt

Respectfully submitted this 15th day of October, 2008
At Shaker Heights, Cuyahoga County, Ohio