

**STATE EMPLOYMENT RELATIONS BOARD
STATE OF OHIO**

STATE EMPLOYMENT
RELATIONS BOARD

2010 OCT -6 P 12: 21

In the matter of Fact Finding between:)	Nos. 10-MED-07-0883
)	and 10-MED-07-0884
CITY OF NEW FRANKLIN, OHIO)	
)	Hearing: September 27,
and)	2010 at New Franklin, Ohio
)	
OHIO PATROLMEN'S BENEVOLENT)	
ASSOCIATION)	Date of Report:
)	October 4, 2010

FACT FINDING REPORT

Appearances:

Mitchell B. Goldberg, SERB Appointed Fact Finder

For the Public Employer:

Thomas Evan Green,	Attorney
Daniel Davidson,	Chief
Al Bollas,	Mayor

For the Union:

Jeffrey Perry,	Business Agent
Jeff Hagen,	Patrolman
Ed Klein,	Lieutenant
Brian Kreiner,	Patrolman

I. Introduction and Background.

On June 23, 2010, the State Employment Relations Board ("SERB") appointed the undersigned as the Fact Finder for this public employment labor dispute. The Employer is a City of approximately 15,000 residents located in the southern part of Summit County, Ohio. It operates a police force with approximately 12 full-time

employees. They are in two separate bargaining units. A full-time corporal and 9 patrol officers are included in the first unit, and a sergeant and a lieutenant comprise the second unit. There is a vacant captain's position in the department. The Chief, several part-time officers, administrative personnel and dispatchers are excluded from the units. There were separate contracts for each unit in the past, but the parties have now agreed to consolidate the separate agreements into one CBA.

The parties commenced bargaining on May 25, 2010 and conducted 4 bargaining sessions, the last of which was on July 1, 2010. Many issues were resolved, but 11 issues or sub-issues were unable to be resolved and those issues proceeded to fact finding. The parties submitted their pre-hearing statements in a timely manner to the Fact Finder in accordance with SERB laws and guidelines. Hearings were scheduled for two days, September 27, 2010 and September 28, 2010. Evidence was taken on September 28 in the form of testimony and the submission of documentary exhibits that supported each party's positions on each of the unresolved issues.

The parties agreed to engage in mediation during the presentation of evidence in order to attempt to resolve the issues. Thereafter, through mediation, all of the unresolved issues were agreed upon except the issue of Wages for the term of a three-year contract that would begin on October 1, 2010 and expire on September 30, 2013. The agreements on the remaining issues were memorialized in a TA document and attachments that were signed or initialed by the parties' representatives on September 27,

2010. All of the issues tentatively agreed upon during bargaining, and at mediation are hereby adopted and incorporated herein for purposes of this Fact Finding Report.

The following recommendation on the unresolved issue of Wages is made after considering and applying all of the required factors set forth in the Ohio Revised Code, the Administrative Code, and the SERB Guidelines.

II. Economic Evidence.

New Franklin is located in southern Summit County and is well situated near the affluent suburbs of Akron, the Canton-Akron Airport, the Portage Lakes Park and the nearby recreational areas. The estimated median household income has grown from 2000 to 2008 (\$50,944 to \$59,503) and is higher than that in Ohio (\$47,988 in 2008). Median residence values in 2008 were higher than the Ohio average.

The cost of living is lower than the U.S. average (80.4 compared to 100 as of Dec. 2009)... In 2008 there were less residents with income below the poverty level than the state average figure (4.8% compared with 10.6%). Residents with income below 50% of the poverty level in 2008 were 1.3% compared with a state figure of 4.8%. The number of unemployed persons was below the state level.

The median age of residents was above the state average in 2008. The persons renting residences was significantly below the state average. The number of college

students was below the state average, and the number of residents with a bachelor's degree or higher was below the state average.

In 2008 there were 18 full-time law enforcement officers, 13 of which were police officers. There were 0.87 officers per 1,000 residents compared with the Ohio average of 2.25 officers per 1,000 residents. The average yearly full-time wage for 12 police protection officers in March 2007 was \$51,980, compared with the average annual full-time wages paid to 14 firefighters of \$61,687.

The City has not avoided the effects of the prolonged recession and poor economy that has permeated the surrounding area and throughout Ohio. Its revenues depend primarily upon the income tax paid by residents and a property tax from levies earmarked for police services. There was a 2.5 mill levy passed in 1992 and a 1.5 mill levy passed in 1981. A major employer recently left the area with a loss of 100 jobs.

Property tax revenue has declined steadily since 2007, from \$160,207 in 2007 to \$155,721 in 2009. It is \$154,740 through September 15, 2010. The property tax revenue for the police district declined from \$766,515 in 2007 to \$712,893 in 2009. It was \$699,116 as of 9/15/10. Income tax collections represent the major revenue decline, from \$904,850 in 2007 to \$817,775 in 2009. It was only \$368,645 through 9/15/10. The General fund revenue, however, increased from \$2.4 million in 2007 to \$2.55 million in 2009. It was \$1.16 million as of 9/15/10.

III. Unresolved Issue.

Wages- Articles 8 and 31

The poor economy and high unemployment has resulted in wage freezes and low wage increases throughout Ohio and the Akron area. Safety forces have not avoided these occurrences. The parties disagree upon the identity of external comparables. The City contends that the units compare favorably with the wages paid in North Canton, Springfield Township, Canal Fulton, Jackson Township and the Summit County Sheriff. The Union looks to the other cities in Summit County and argues that these units are seriously underpaid compared to all of the cities in Summit County except Munroe Falls. Each rank in the units is paid approximately 10% less than the average wages paid by the cities in the County.

The Union's principal concern, however, relates to internal comparables. It believes that its units are paid substantially less than fire department employees. Fire fighters have more time off, built in overtime and extra forms of compensation, but more importantly they have higher wages. It argues that the City has exacerbated this disparity by agreeing to a \$500, 1% and 2% contract with an increased rank differential in the Fire contract, numbers that are far less than were offered to this unit during negotiations. Accordingly, the Union proposes that this disparity be addressed and remedied by the City accepting its wage offer of 1.5%, 2.0% and 2.0% over a three-year successor contract.

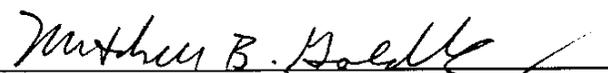
The City contends that its position of 0% 1.5% and 1.5% is fair and more reasonable when the units' wages are compared to external comparables, and to the Fire unit. It believes that the police units have compensation benefits equal to or better than those in the fire unit. Moreover, it believes that its position more closely reflects the current economic conditions and wages paid in other union contracts and to non-bargaining unit employees. The City's non-unit employees received only a 15 cents per hour increase for 2010. The service employees represented unit received 2% for 2010, but only because of a CBA that began in mid-2008 before the full extent of the recession was known.

Recommendation

Based upon a review of all of the above evidence, and the arguments of counsel, I recommend the following:

Upon the execution of the successor CBA, the City shall pay to each unit(s) member a one-time cash lump sum payment of \$500. This payment shall not be added to the base pay rates or otherwise included when computing future across the board percentage pay raises. Effective April 1, 2011, the City shall pay an across the board wage increase of 0.5% to each bargaining unit(s) member. Effective October 1, 2011, the City shall pay an across the board wage increase of 1% to each bargaining unit(s) member. Effective October 1, 2012 the City shall pay each bargaining unit(s) member an across the board wage increase of 2% for the remainder of the contract.

Date of Report: October 4, 2010



Mitchell B. Goldberg, Appointed Fact Finder

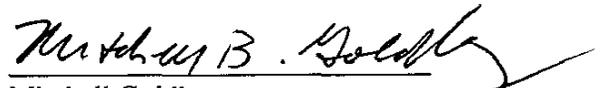
CERTIFICATE OF SERVICE

The foregoing Report was served upon the following persons by U.S. Mail, First Class, postage pre-paid, on October 4, 2010:

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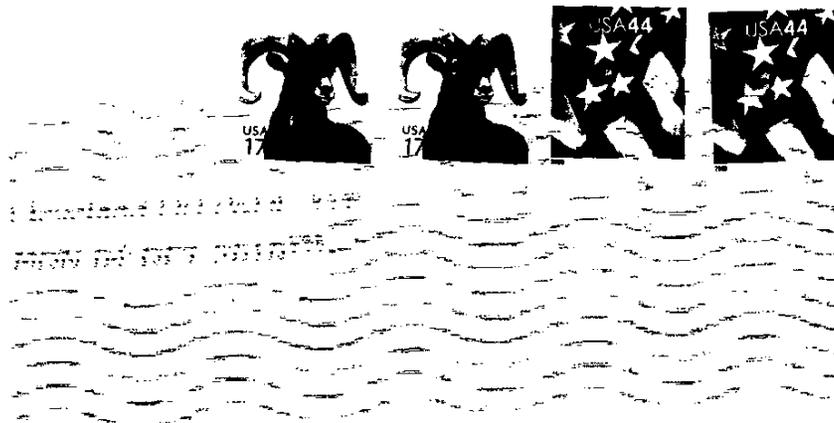
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