

**STATE EMPLOYMENT RELATIONS BOARD  
STATE OF OHIO**

In the matter of Fact Finding between:	)	SERB NO. 10-MED-09-.1056
	)	
CITY OF OXFORD, OHIO,	)	Hearing: August 3, 2011
Public Employer,	)	at Oxford, Ohio
	)	
and	)	Date of Report:
	)	September 2, 2011
FRATERNAL ORDER OF POLICE,	)	
LODGE, 38,	)	
Employee Organization.	)	

**FACT FINDING REPORT**

Appearances:

Mitchell B. Goldberg, Appointed Fact Finder

For the City:

Stephen M. McHugh,	Law Director
Douglas R. Elliott, Jr.,	City Manager
Stephan D. Schwein,	Chief of Police
Donna Heck,	Human Resources Director

For the FOP:

Daniel E. Haughey,	Attorney
Daniel Umbstead,	Detective/Lieutenant

I. Introduction and Background.

SERB appointed the undersigned as the Fact Finder of this public employment labor Dispute after the parties were unable to resolve all of the disputed issues necessary to arrive at a successor collective bargaining agreement (“CBA”). They were parties to a CBA that expired on December 31, 2010. They are at impasse over a number of economic issues. A hearing was conducted at the City’s offices on August 3, 2011. The

parties presented evidence in the form of written exhibits and witness presentations. Attempts to mediate the issues were not successful and the following issues remain unresolved: (1) Wages; (2) Retroactivity; (3) Health Insurance Premium Contributions; (4) Clothing Allowance Increase; (5) Increase Pay for Call-in and Court Appearances; (6) Conversion From Paid Birthday to Additional Personal Day; (7) Executive Training Bonus; and (8) Martin Luther King Paid Holiday.

The following recommendations are made in accordance with the criteria set forth in Chapter 4117 and SERB Regulations and Guidelines. All resolved issues and tentative agreements reached during bargaining, and all unchanged provisions in the prior CBA are hereby incorporated into this Report and made apart thereof.

## II. Economic Evidence, Bargaining History and Background.

Oxford is a city of approximately 26,000 residents located in southwestern Ohio, in Butler County, some 39 miles northwest of Cincinnati. Its revenue is dependent upon its largest employer, Miami University with an approximate student population of more than 16,000. The City has survived the recession in tact, without substantial layoffs, and with adequate or better than adequate annual general fund balances. It enjoys a high bond rating and by all measurements is financially sound. It has not experienced the financial problems of the manufacturing based economies in the county and surrounding areas such as Hamilton, Middletown, Cincinnati and Dayton.

Its revenues have increased from approximately \$9.2 million in 2002 to \$12.5 million in 2010. Annual expenditures have risen from approximately \$6.7 million to \$9.8 million over the same period. In recent years, varying amounts from general fund revenue have been transferred over to capital improvement funds and capital equipment funds. These capital items have been paid with general fund revenue instead of through bond financing. The City's present capital needs include a new police station, administration building, a new swimming pool and replacement equipment.

The City improved its fire/EMT services to its citizens by going from volunteers to regular part time firefighters/EMTs, 3 on the first shift and 4 on the second shift. This has added about \$1 million in expenses from the general fund. The citizens approved an increase in the income tax from 1.75% to 2%. The monies are segregated in a special revenue fund designated for Fire/EMT so that the citizens can more easily track their increased tax payments. The new department produces additional revenue for the City from contract services that are provided to nearby townships.

Other major revenue items include property taxes and state local government fund payments. Property tax revenue is expected to remain static due to lower evaluations. The City projects that property tax revenue will only increase by 1% over the next periods after FY 2011. State revenue will decline by 50% due to state budgetary problems. Inheritance tax revenue will also be eliminated by 2013. Interest from investments has also declined due to present low interest rates. Accordingly, these

financial concerns are driving the City's financial proposals in its collective bargaining negotiations.

The FOP recognizes these concerns, but maintains that its proposals are reasonable and well within the City's ability to pay. This is a small unit of supervisors whose wages and benefits have a minimal impact upon the City's budget. Moreover, it believes that the City's new revenue resources from the newly created diversionary programs and administrative citations for students provide for more than enough funds to pay for the Union's proposals.

### III. Unresolved Issues.

#### A. Wages.

The City proposes the same wages agreed to with the patrol officers, 0% for 2011, 2% for 2012, and 2% for 2013. The Union proposes 2%, 2% and 2%. Both sides cite comparable wages with police groups within the county to support their respective positions. For example, Fairfield City's wages will be frozen for 2012. The Union however, shows that using a formula, since disregarded by the parties, which considers a number of units within the county and area, Oxford unit members should receive an increase for 2011.<sup>1</sup> The Union argues that internal comparables should not control.

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<sup>1</sup> The parties agreed in the last CBA that for the third year, the parties would use a formula called the "market midpoint," which was a calculation that fixed officers' compensation for 2010 on the average hourly rate of other Butler County police agencies. This was based upon the pay rates for these agencies as of December 1, 2009. This produced a pay increase for this unit of 1.4% in 2010. Using the same formula approach here would produce a pay increase approximating the Union's position of 2%.

Moreover, the costs for its proposal are minimal due to the small unit, and the City's ability to pay.

The police officers' decision to accept a zero wage increase for 2011 must take into consideration the City's willingness to accept the Union's proposed schedule changes, which were more important for the members than a wage increase. This City concession in exchange for the Union's agreement to accept the freeze is not relevant to the negotiations for the command staff. Accordingly, the Union believes its proposal for a 2% increase retroactive to January 1 is fair and appropriate for this unit.

The non-sworn police employees received a 2% increase for 2011, but it did not take effect until May 1, 2011. This computes to an effective increase of 1.33% for 2011. They also received a "me-too" agreement that they will receive an increase equal to that received by other city employee groups above 1.33% in 2011 or 2% in 2012.

Recommendation:

Taking all of the above evidence into consideration, I recommend an across-the-board wage increase for these unit members of 2% retroactive to July 1, 2011, 2% for 2012, and 2% for 2013.

B. Clothing Allowance.

The Union proposes an increase in the administrative clothing allowance to \$1,000. The City objects to this proposal for economic reasons. While a clothing

allowance increase might be justified periodically for patrol officers due to cost increases for clothing and equipment, I see less of a justification for an increase for supervisors.

Recommendation: No change.

C. Overtime - Increase in Pay For Court Appearances and Call-ins.

The Union proposes that beginning January 1, 2011, a supervisor who is called back to duty following the termination of the supervisor's next normal work day and three or more hours prior to the beginning of the supervisor's next normal work day shall receive credit for a minimum of three hours overtime for the call-in.

The City computes that this proposal would increase its costs by \$763 in 2011, \$778 in 2012, and \$793 in 2013. While these costs are not substantial, the increase is not necessary because this unit's pay is comparable to other departments.

Recommendation: No change.

The Union proposes that call-in pay for court appearances when a member is not on duty should be increased to 4 hours overtime. The City believes this pay increase would involve substantial costs: \$2,342 in 2011, \$2,389 in 2012, and \$2,437 in 2013.

Recommendation: No change.

D. Increase in paid holidays.

The Union proposes an additional paid holiday, and that the member's birthday

should be converted to an additional personal holiday or leave day to be taken at any time. The City computes this additional cost at \$2,388 each year. It believes its present paid holiday and personal day payments are comparable with other departments, and no increase is needed or justified in this present economic environment.

Recommendation: No change.

E. The Union proposes an increase in training reimbursement of a \$1,000 bonus for any training or instruction of 4 or more weeks. The City computes that this additional payment will increase its costs by approximately \$8,000 per year. It believes that its present training incentives are generous and comparable to other departments. The additional costs are not justified due to its present economic concerns.

Recommendation: No change.

Date of Report: September 2, 2011 /s/ \_\_\_\_\_  
Mitchell B. Goldberg, Appointed Fact Finder

#### CERTIFICATE OF SERVICE

This Report was served electronically upon J. Russell Keith, General Counsel & Assistant Executive Director of SERB; Daniel E. Haughey, attorney for FOP, Lodge 38; and Stephen M. McHugh, Law Director for the City of Oxford, on the 2<sup>nd</sup> day of September, 2011. The effective date for the award is September 2, 2011.

/s/ \_\_\_\_\_  
Mitchell B. Goldberg

