

FACTFINDING REPORT

STATE-EMPLOYMENT
RELATIONS BOARD

STATE OF OHIO

FEB 9 10 00 AM '96

STATE EMPLOYMENT RELATIONS BOARD

February 5, 1996

In the Matter of:

Local Governments in Cooperation)

and)

Ohio Patrolmen's Benevolent Association)

Case No. 95-MED-10-0983)

APPEARANCES

For the Employer:

Neil Fitzgerald, Attorney
Ted Heck, Management Team

For the Union:

Nicholas Codrea Jr, Staff Representative
Don Berlmeier, Union Director
Mark Busto, Negotiating Committee

Factfinder:

Nels E. Nelson

BACKGROUND

The instant dispute involves an organization referred to as Local Governments in Cooperation or LOGIC. It was created by the City of Massillon, the Village of Hills and Dales, the Village of Canal Fulton, and Jackson Township to provide fire and police dispatching services for its members and for other jurisdictions on a contract basis. The Ohio Patrolmen's Benevolent Association represents the eight full time dispatchers employed by LOGIC and is party to a collective bargaining agreement which expired on December 31, 1995.

Negotiations for a successor agreement began in the fall of 1995. When no agreement was reached, the Factfinder was appointed on December 1, 1995. On December 20, 1995 a lengthy mediation session resulted in the settlement of a number of issues. A factfinding hearing was conducted on January 8, 1996 to take testimony and evidence on the remaining issues.

The recommendations of the Factfinder are based upon the criteria set forth in Section 4117-9-05(k) of the Ohio Administrative Rules. They are:

- (a) Past collectively bargained agreements, if any, between the parties;
- (b) 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;
- (c) The interest and welfare of the public, and 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 issues submitted to mutually agreed upon dispute procedures in the public service or in private employment.

ISSUES

Eight issues were presented to the Factfinder. For each issue the Factfinder will state the positions of the parties and summarize the evidence and arguments presented by the parties in support of their positions. He then will present a brief analysis of the issue and offer his recommendation for resolving the issue.

1) Article XIV - Seniority, Section 5 - Shift Selection - The current contract contains no language dealing specifically with shift selection. The union proposes that each December employees bid for shifts based on seniority. The employer opposes the union's demand.

Union Position - The union argues that its proposal should be adopted. It contends that the proposed 21-day bid period should cause no problem. The union maintains that since the employees are homogeneous, there is no reason why they should not be able to use their seniority in selecting the shift they wish to work.

Employer Positions - The employer opposes the union's demand. It points out that the management rights listed in Article V include the right to assign and schedule employees. The employer states that it gave up things in negotiations to get the management rights that are contained in the contract.

Analysis - The Factfinder recommends that the union's demand be denied. Employees currently select shifts by seniority but the employer on occasion has moved employees in response to operational needs. In a small operation such as LOGIC, the ability to assign an employee to a shift may be more important than in a large operation. Most significantly, no testimony was presented regarding any problems relating to the employer's assignment of employees to shifts.

Recommendation - The Factfinder recommends that the union's demand be denied.

2) Article XVII - Wages - The current contract establishes a salary of \$21,465 for full-time communication officers after one year of employment. The union demands a 6%

increase for 1996, a 5% increase for 1997, and a 4% increase for 1998. The employer offered increases of 3%, 2%, and 2%.

Union Position - The union argues that its wage demand is intended to close the gap between LOGIC employees and similarly situated employees. It points out that the average top dispatcher wage in Summit County jurisdiction is \$26,962, \$24,283 in 13 jurisdictions in Stark County plus Ohio Townships with populations of 20,000 or more, and \$25,189 in Portage County jurisdictions. The union notes that total compensation including uniform allowance, shift differential, and longevity is \$24,187 in Louisville and \$25,743 in the Stark County Sheriff's Department compared to \$22,526 for LOGIC. It stresses that wage increases for Ohio city police departments in 1996 averaged 3.65% and 3.56% in Ohio sheriffs' departments.

Employer Position - The employer contends that its wage offer is reasonable. It maintains that data it submitted indicates that its position is supported by the wages paid to dispatchers in other Stark County jurisdictions. The employer states that its offer is also consistent with the current rate of inflation and the increases being recommended by Factfinders.

Analysis - One of the criteria for wage recommendations that the Factfinder is to consider is comparison to wages in similar jurisdictions. In the instant case the employer supplied data for dispatchers in the other jurisdictions in Stark County. The union added to this data comparisons involving jurisdictions in Summit, Portage, Mahoning, and more distant counties. The Factfinder believes that in the instant case it is not necessary to go beyond Stark County.

The Factfinder believes that it is appropriate to focus on total compensation including base salary, longevity, and shift differential (uniform allowances are excluded because data were not supplied by the parties for all of the Stark County jurisdictions). The Factfinder also feels that since the average seniority of the unit in the instant case is probably about five years, it is most appropriate to consider the compensation of

dispatchers with five years of service. The compensation of dispatchers in Stark County as of January 1, 1995 is as follows:

<u>JURISDICTION</u>	<u>SALARY</u>	<u>LONG</u>	<u>SHIFT</u>	<u>TOTAL</u>
Canton	\$23,584*	\$225	\$339	\$24,148*
Louisville	22,624	0	347	22,624
North Canton	23,400**	250	520	24,170**
Perry	21,275	0	0	21,275
Plain	15,660	0	0	15,660
Sheriff	21,403	0	0	21,403
LOGIC	21,465	180	416	22,061
	Average			21,547
	Average (Excluding Plain)			22,724

* Includes employer payment of employee retirement contribution.

** Does not include \$962 bonus.

The compensation of employees in LOGIC compared to other Stark County jurisdictions is not surprising. Compensation in Canton and North Canton, which have large populations, is higher than for LOGIC and compensation in the other jurisdictions is similar to LOGIC except in Plain where employees are not represented by a union.

The ability-to-pay is another of the statutory criteria. In the instant case the employer did not claim that it was unable to pay the union's demand. In fact, it would appear that at least some of the jurisdictions included in LOGIC enjoy healthy, growing economies.

Based upon the comparisons and the employer's ability-to-pay as well as the other criteria, the Factfinder believes that employees are entitled to receive the same increase as employees in other jurisdictions are getting plus some amount to help close the gap in compensation between dispatchers in the bargaining unit and dispatchers in other jurisdictions.

The union submitted data on wage increases for city police departments in 1995 and 1996 and for sheriffs' departments in 1994, 1995, and 1996. The average increase for city police departments in 1996 was 3.65% and 3.56% for sheriffs' departments. The

Factfinder notes that the fourth quarter issue of the SERB Quarterly reports that the average wage recommendation by Factfinders during the third quarter of 1995 was 3.19% and the average award by Conciliators was 3.09%. Increases for dispatchers in Stark County are as follows:

Canton	2.8%
Louisville	?
North Canton	2.8%
Perry	3.0%*
Plain	?
Sheriff	?

* Tentative agreement reported by union.

The Factfinder's salary recommendation must also take into account the total cost of the settlement. The employer has agreed to accept the union's proposal to reduce the service needed to qualify for three weeks of vacation and to increase the sick leave bonus. In addition, the Factfinder believes that an increase in longevity payments must be recommended. Taking these points into account, the Factfinder recommends that salaries be increased by 4% effective 1996, 3% effective 1997, and 3% effective 1998.

Recommendation - The Factfinder recommends that salaries be increased by 4% effective 1996, 3% effective 1997, and 3% effective 1998.

3) Article XVII - Wages, Section 2 - Training Officer (New) - The current contract has no provision for the payment of extra compensation to employees who train new employees. The union proposes a premium of \$.50 per hour to employees who are designated as training officers and are required to train new employees. The employer opposes the union's demand.

Union Position - The union argues that employees who train new employees should be compensated for the increased work load and responsibility. It acknowledges that the right to assign a training officer resides with management.

Employer Position - The employer rejects the union's demand. It contends that helping new employees should be a part of an employee's job. It points out that no other comparable jurisdiction has such pay.

Analysis - The Factfinder must recommend against the adoption of the union's proposal. He does not believe that the union was able to show that the training of new employees justifies additional compensation. Furthermore, the Factfinder is unaware of any nearby jurisdiction which has extra compensation for training new dispatchers.

Recommendation - The Factfinder recommends that the union's demand be denied.

4) Article XXI - Vacation - The current contract specifies that employees are entitled to two weeks of vacation after one year of service, three weeks after six years of service, four weeks after ten years of service, and five weeks after twenty years of service. The union proposes that employees be entitled to three weeks of vacation after five years of service. The employer agrees to the granting of the union's request but wishes it to be considered as part of the total cost of the settlement.

Recommendation - The Factfinder recommends that the current vacation schedule be modified to provide for three weeks of vacation after five years of service.

5) Article XXII - Personal Days - The current contract provides for two personal days which are deducted from accumulated sick leave. The union seeks to eliminate the deduction of personal days from sick leave. The employer rejects the union's demand.

Union Position - The union contends that its demand is reasonable. It points out that it dropped its demand for an additional holiday because of the cost of a holiday. The union stresses that its proposal is taken from the Jackson Township police collective bargaining agreement so that internal equity supports its demand.

Employer Position - The employer rejects the union's position. It claims that employees' current entitlement to two personal days and ten holidays plus vacation time gives employees more than adequate time off and is comparable to similar jurisdictions.

The employer states that the deduction of personal days from sick leave is not unreasonable given the fact that employees receive fifteen days of sick leave each year.

Analysis - The Factfinder believes that the union's demand should be denied. The average number of sick days available to employees among the six comparable jurisdictions in Stark County is 2 1/3 days. In three of the six jurisdictions the personal days are deducted from sick leave and in one jurisdiction employees receive a personal day in lieu of a paid holiday. Among the LOGIC jurisdictions the Jackson police officers receive two personal day without any deduction from sick leave but the fire fighters in Jackson receive no personal days and the two days which the Massillon police officers receive are deducted from sick leave. Although no data were supplied concerning the number of sick days received by dispatchers in the comparable communities, the Factfinder does not believe that any receive more than the fifteen days received by LOGIC employees.

Recommendation - The Factfinder recommends that the union's demand be denied.

6) Article XXIV - Sick Leave Bonus - The current contract provides for a bonus of \$50 for using 24 hours or less of sick leave, \$100 for 16 hours or less, and \$200 for using 8 hours or less. The union seeks to increase the payments to \$100, \$200, and \$300. The employer agrees to the granting of the union's request but wishes it to be considered as part of the total cost of the settlement.

Recommendation - The Factfinder recommends that the sick leave bonus provision in the contract be modified so that employees receive a bonus of \$100 for using 24 hours or less of sick leave, \$200 for using 18 hours or less of sick leave, or \$300 for using 8 hours or less of sick leave.

7) Article XXIX - Shift Differential - The current contract establishes shift differentials of \$.25 for the second shift and \$.35 for the third shift. The union proposes increasing the differentials to \$.35 and \$.50. The employer wishes to retain the current shift differentials.

Union Position - The union argues that the shift differential should be increased to compensate employees for working around the clock.

Employer - The employer contends that the current provision is comparable to similar jurisdictions.

Analysis - The Factfinder believes that the current shift differential should be maintained. As shown in the table in the discussion of the wage issue, the shift differential for the bargaining unit is \$416. Dispatchers in three of the six remaining comparable jurisdictions have no shift differentials. For the three remaining jurisdictions the average value of the shift differential is \$406.

Recommendation - The Factfinder recommends that the union's demand be denied.

7) Article XXX - Longevity - The current contract establishes longevity payments beginning with \$60 after the completion of two years of service and increasing by \$60 for each additional year of service. The union seeks longevity payments beginning with \$160 after the completion of two years of service and increasing by \$80 for each additional year of service. The employer will agree to granting a longevity payment of \$80 after the completion of two years of service and increasing it by \$80 for each additional year of service provided that it is considered part of the overall cost of the settlement.

Union - The union contends that its proposal would help provide employees with greater internal and external parity with respect to total compensation.

Employer - The employer maintains that longevity should be considered as part of the overall economic settlement.

Analysis - The current longevity formula and the proposals of the parties would result in the following longevity payments during the first seven years of employment:

<u>SERVICE</u>	<u>CURRENT</u>	<u>EMPLOYER</u>	<u>UNION</u>
One	\$.00	\$0	\$0
Two	0	0	0
Three	60	80	160
Four	120	160	240

Five	180	240	320
Six	240	320	400
Seven	300	400	480

The Factfinder believes that the current longevity payments ought to be increased. He feels that it will encourage experienced dispatchers to continue to work as dispatchers. It will also serve to close the gap in compensation that exists with other departments without generating significantly higher costs by paying a higher base salary to employees who remain with the employer for a short time.

The Factfinder believes that the longevity payment should continue to begin after the completion of two years of service but the first payment should reflect two years of completed service and the payment per year of service should be increased from \$60 to \$70. Changing the computation to reflect total years of service should make the calculation of longevity payments easier to understand. The increased rate better reflects the value of experience and loyalty and will narrow the gap in compensation that exists between employees in the bargaining unit and other dispatchers in the county.

The Factfinder's recommendation will produce longevity payment during the first seven years of employment as follows:

<u>SERVICE</u>	<u>LONGEVITY</u>
One	\$0
Two	0
Three	140
Four	210
Five	280
Six	350
Seven	420

Recommendation - The Factfinder recommends the following:

Annual longevity payments shall be made in a lump sum during the first half of the month of December. All employees who have completed at least two years of continuous service and who are in the employ of LOGIC as of November 30th of the year shall be entitled to a longevity payment. The first longevity shall be \$140 and shall increase by \$70 for each additional year of continuous service.

8) Article XXXII - Health Insurance - The current contract grants employees hospital/surgical, major medical, dental, vision, and prescription drug insurance. The major medical portion of the package includes a deductible of \$100 for an individual and a deductible of \$200 for a family and a 20% co-pay to a maximum of \$2000. The prescription drug insurance requires a deductible of \$1 per prescription. Employees are not required to pay any portion of the premium. The employer requests that the major medical deductible be increased from \$100 to \$200 for single coverage and from \$200 to \$400 for family coverage and that employees be required to contribute \$125 per year toward the cost of single coverage and \$250 per year toward the cost of family coverage. It also seeks language that would allow it to change "how the benefit plan is administered including, but not limited to, changing insurance carriers or establishing a self-funded framework." The union proposes that the current health plan be continued through the calendar year 1996 and proposes reopening negotiations on health insurance for 1997 under Section 4117 of the Ohio Revised Code should the employer show that the cost of health care insurance increased 8% or more during 1996. It also wishes to include in the contract a statement that "it is the intent of the parties to provide LOGIC employees with a health care plan that provides coverages equal to the Jackson Township Police and Fire Departments." The union offers to increase the co-pay to \$2 for generic or name brand drugs where no generic is available, \$2 for mail order drugs, and \$5 for name brand drugs where a generic is available.

Employer Position - The employer argues that its position on health insurance is appropriate. It states that employees enjoy excellent benefits which exceed those of comparable jurisdictions. The employer indicates that the \$30,049 annual cost of the insurance program for the bargaining unit calls for employee contributions. It notes that the deductible under major medical has been \$100 for an individual and \$200 for a family since 1971 and maintains that it is due to be increased.

Union Position - The union states that it understands the employer's concern regarding health insurance costs. It claims that its proposal regarding the deductibles under the prescription drug insurance will result in substantial savings for the employer.

Analysis - A variety of issues were raised regarding health insurance which require the Factfinder's attention. First, he believes that the union's proposal regarding the deductibles under the prescription drug coverage ought to be adapted. He is confident that it will save the employer money with an increase of only \$1 in an employee's deductible provided he or she uses a generic, if one is available, or a mail order drug provider.

Second, the Factfinder cannot recommend the language which the union seeks which states that the parties intend their health insurance coverage to be equal to that of the Jackson Township police and fire contract. While he understands that the union looks to Jackson Township because employees were once covered under its health insurance, it does not seem reasonable to remain bound to Jackson Township. The fact is that Jackson Township is only one of four jurisdictions included in LOGIC. Furthermore, there is no indication what changes that the parties in Jackson Township will make in their health insurance. It may be that Jackson Township and the police and fire units will agree to changes that employees at LOGIC do not find desirable.

Third, the Factfinder cannot recommend the employer's demand that employees pay both a share of the insurance premiums and larger deductibles under the major medical coverage. Although the Arbitrator understands that all employees are being asked to pay a larger share of their health insurance costs, he does not believe that employees should be asked to pay a greater deductible at the same time they are required for the first time to pay a portion of the health insurance premiums. He recommends, therefore, that for 1996 the deductible under the major medical coverage be increased from \$100 to \$150 for single coverage and from \$200 to \$300 for family coverage but that employees continue to receive health insurance without bearing any share of the premium cost.