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STATE OF OHIO
STATE EMPLOYMENT RELATIONS BOARD

Jan 30 10 16 AM '98

IN THE MATTER OF FACT FINDING
NORMAN R. HARLAN, FACTFINDER

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FRATERNAL ORDER OF POLICE (FOP))	CASE NO. 97-MED-10-1176
LODGE NO. 134)	HEARING: January 23, 1998
AND)	REPORT: Sent by Overnight Mail to
		SERB, The Employer and the
CITY OF NEW LEXINGTON (OHIO)		Union January 28, 1998

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APPEARANCES

UNION

J. Eric Finley, Sr., President, FOP Local No. 134
Ann Craig, Secretary/Treasurer, FOP Lodge No. 134
Larry Moore, Patrolman

EMPLOYER

Delmar Danison, Mayor
Sandra Berry, Finance Director
Mel Hutmire, President, City Council
Jeff Newlon, Chief of Police

BACKGROUND

New Lexington is the County Seat of Perry County and is located in southeastern Ohio about sixty five miles northwest of Marietta and about seventy five miles southeast of Columbus. It has a population of about 5,100 (five thousand one hundred). It has an elected Mayor and an elected City Council

comprised of seven elected members.

The City has thirty full-time employees. It has a volunteer fire department with some fifty members who serve the City and nearby communities. The Police Department is comprised of ten members; four (4) Dispatchers and three (3) Patrolmen, a Chief and two Sergeants.

The Dispatchers and the Patrolmen are Bargaining Unit members represented by the Fraternal Order of Police Lodge No. 134. The City and the Union have been involved in collective bargaining for a decade or so. The current Collective Bargaining Agreement (CBA) covers the period January 1, 1996 to December 31, 1998.

Article 42, WAGE TABLES, Appears as APPENDIX A at the end of the REPORT. As shown by the APPENDIX in the third paragraph, it provides for a Wage Reopener.

The Undersigned was selected as the Factfinder and was appointed by the Ohio State Employment Relations Board (SERB) by letter of December 2, 1997 from G. Thomas Worley, Administrator, Bureau of Mediation. The Parties were promptly contacted and the Factfinder was advised they had agreed to an extension and SERB had been notified of said extension. The Factfinder was notified that the City and the FOP had been unable to reach agreement and desired that the Factfinding Hearing be set. On January 19, 1998 the Hearing was set for Friday, January 23, 1998 with the concurrence of the Parties and the approval of the Factfinder.

The Hearing began at 10:00 a.m. and concluded about 2:00

in the afternoon. Both Parties made oral presentations and submitted documents. The last couple of hours of the Hearing were devoted to Mediation. Originally the Union sought an increase of \$1.25 (one dollar and twenty five cents) per hour for all Bargaining Unit members. The Employer offered an increase of twenty five cents (\$.25) per hour for all Bargaining Unit members. Toward the end of the mediation the City offered a Wage increase of twenty seven cents (\$.27) per hour for the three Patrolmen and an increase of thirty five cents (\$.35) per hour for the four Dispatchers. The Union proposed a Wage increase of seventy five cents (\$.75) per hour for both Patrolmen and Dispatchers. The Parties disagreed and no further offers were made.

FINDINGS OF FACT

1. There was no major disagreement concerning the Data submitted by the Parties concerning other small cities in Ohio for which Data was available.
2. The Parties agreed the most relevant comparisons were among similar sized cities located in southeastern Ohio. Both Parties recognized wages are normally higher in metropolitan areas such as Hamilton County (Cincinnati area) and Cuyahoga County (Cleveland area).
3. The Hourly Rate for Deputies of the Perry County Sheriff's Department reflect a 1997 starting rate of \$9.10 per hour; a 1998 starting rate of \$9.83 per hour; and a starting rate of \$10.61 per hour for 1999. A substantial number of the Deputies (actual number not given) are paid through grants.

4. The City budget for 1998 contains a surplus of about \$50,000.00 (fifty thousand dollars). Between \$30,000.00 (thirty thousand dollars) and \$40,000.00 (forty thousand dollars) of the amount is projected to cover the salary of the City Administrator's job, which has been vacant since late 1996.
5. The City pays one hundred (100) per cent of the Premium for Health Insurance for members of the bargaining unit. This Plan includes Dental and Vision coverage. The deductible is \$200.00 annually for single coverage and \$400.00 annually for the Family Plan. Generic drugs require a \$5.00 per Prescription Co-Payment and non-generic drugs require a \$10.00 Co-Payment per prescription.
6. Perry County employees pay from about two hundred dollars (\$200.00) to twelve hundred dollars (\$1,200.00) per year in Health Insurance Premiums.
7. Neither Party submitted detailed data for Health Benefits among the small cities to which each referred. It was agreed Perry County Deputies pay part of the Health Insurance Premium.
8. By any comparison the wages for Dispatchers are woefully inadequate. The Parties were told this by the Factfinder.

SUMMARY

During bargaining the City proposed a Wage increase for all bargaining unit members of twenty five cents per hour. The Wage Cost of this proposal was about \$3,640.00 (2,080 hours X 7 employees X .25). Fringes add some thirty five (35) per cent or about \$1,275 for a total of some \$4,915.00. The

City's final proposal included a 27 cents per hour increase for Patrolmen and a 35 cents per hour increase for Dispatchers. The Wage Cost of the City's final proposal for Patrolmen is \$1,685 (3 employees X 2,080 hours X .27). Fringes at 35 per cent of the Wage Cost adds \$590.00 for a total cost of \$2,275.00 (two thousand two hundred seventy five dollars). The City's final proposal for Dispatchers for Wages amounts to \$2,912.00; (4 employees X 2,080 X .35). Fringes at 35 per cent add \$1,020.00 for a total of \$3,932.00. The total cost of the City's final proposal for the four Dispatchers and three Patrolmen is about \$6,207.00 (six thousand two hundred and seven dollars).

The Union's original proposal of a Wage increase of \$1.25 per hour for both Patrolmen and Dispatchers amounts to \$18,200 (eighteen thousand two hundred dollars) with an added cost of \$6,370.00 (six thousand three hundred and seventy dollars) for Fringes for a total cost of \$24,570.00 (twenty four thousand, five hundred and seventy dollars). Based upon the Union's final proposal of 75 cents per hour for both the Dispatchers and the Patrolmen, Wages would cost the City \$10,920, Fringes would add \$3,820.00 for a total of \$14,742.00 (fourteen thousand seven hundred and forth two dollars).

SUMMARY

It is apparent from the financial data submitted the City

cannot fund the increase of 75 cents per hour proposed by the Union. On the other hand, relevant comparables and the extremely low wages of the Dispatchers warrant more than what was proposed by the City. It is also relevant that the City pays the entire Health Insurance Premium for a comprehensive Plan which includes Dental and Vision Coverage. The best available information also shows a Perry County employee pays from two hundred to twelve hundred dollars a year in Health Insurance Premiums. This varies because some of the employees are in different bargaining units and some are not in any. The salary for the vacant City Administrator's job has also been considered. An estimated cost of filling this job of \$36,000 (thirty six thousand dollars) per year calculates to \$3,000.00 per month. The evidence does not show the filling of the vacancy is imminent. As such, it is apparent the salary cost will be saved for January, 1998 and February, 1998, and perhaps beyond. Obviously, not paying the salary for January and February, 1998 amounts to \$6,000.00.

RECOMMENDATION

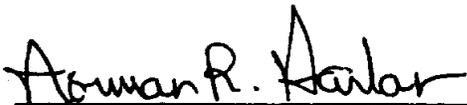
Taking the foregoing into consideration, the following recommendations are made, to be effective January 1, 1998.

1. Forty cents (40 cents) per hour increase for four (4) Dispatchers; estimated cost of \$3,328.00 in Wages and \$1,165.00 in Fringes; total of \$4,493.00 (four thousand four hundred ninety three dollars).

2. Thirty cents (30 cents) per hour increase for three (3) Patrolmen; cost of Wages estimated at \$1,872.00 and \$655.00 in Fringes; total Cost of \$2,527.00 (two thousand five hundred twenty seven dollars).
3. The total Cost of the Recommendations is \$7,020.00 (seven thousand and twenty dollars).

It can readily be seen from the information provided this will not work a hardship upon the City. At the same time it provides a reasonable increase for the Partolmen. And, considering they pay nothing toward the cost of the comprehensive Health Insurance Plan it moves them toward a favorable position for similar work in southeastern Ohio. The increase for the Dispatchers amounts to about six (6) per cent. If it was shown the City had substantially more funds available the Factfinder would have recommended a larger increase for the Dispatchers. However, as he advised the FOP and the City, he had to "be shown the money," since making a proposal which exceeds available funds would be irresponsible.

We should mention the Union sought to address Article 30, SHIFT DIFFERENTIAL, and the Employer objected. The Factfinder advised the Union and the Employer that he had no authority to address any question beyond the Wage Reopener language of Article 42. The Union withdrew the request.



Norman R. Harlan, Factfinder

Steubenville, Ohio
January 28, 1998

APPENDIX A

ARTICLE 42
WAGE TABLES

"Effective 12:01 a.m. January 1, 1996 all employees in the bargaining unit will receive a forty cents (\$.40) increase in hourly wage.

Effective 12:01 a.m. January 1, 1997 all employees in the bargaining unit will receive a thirty-three cents (\$.33) increase in hourly wage..

The parties agree to reopen negotiations regarding wage rates no earlier than sixty days (60) days prior to January 1, 1998."

PATROLMAN	Effective 1/1/96	Effective 1/1/97
Probationary	8.10	8.43
Six (6) months	8.53	8.86
Twelve (12) months	8.98	9.31
Over two years	9.38	9.71
DISPATCHERS		
Probationary	6.08	6.41
Six (6) months	6.42	6.75
Twelve (12) months	6.88	7.21
Over two (2) years	7.28	7.61