

RESOLUTION NO. CR-62-94

A RESOLUTION TO APPROVE THE FACT-FINDER'S RECOMMENDATIONS
REGARDING THE F.O.P., CAPITAL CITY LODGE NO. 9 CONTRACT WITH THE CITY

WHEREAS, contract negotiations between the Fraternal Order of Police, Capital City Lodge No. 9 and the City of Grove City have been commencing; and

WHEREAS, on September 23, 1994, a Fact Finder was brought in to conduct a full fact-finding hearing; and

WHEREAS, on October 26, 1994, Council was notified of the Factfinding Report; and

WHEREAS, acceptance of the Factfinding recommendations must be made within seven (7) days after notification to Council or be considered approved.

NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GROVE CITY, STATE OF OHIO, THAT:

SECTION 1. This Council hereby accepts the Fact-Finder's Report and Recommendations, attached hereto and made a part hereof, in accordance with Chapter 4117 of the Ohio Revised Code, titled "Public Employees' Collective Bargaining".

SECTION 2. This resolution shall take effect at the earliest opportunity allowed by law.



Cheryl L. Grossman, President of Council

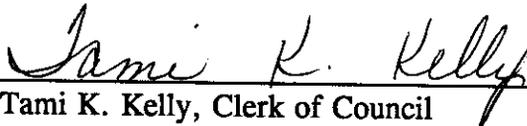


Richard L. Stage, Mayor

Passed: 10-31-94

Effective: 10-31-94

Attest:



Tami K. Kelly, Clerk of Council

I Certify that this resolution is correct as to form.



Thomas R. Clark, Director of Law

IN THE MATTER
OF
FACTFINDING
BETWEEN
FRATERNAL ORDER OF POLICE,
CAPITAL CITY LODGE NO. 9
AND
CITY OF GROVE CITY, OHIO

Hearing: September 23, 1994
SERB Case Nos.: 94-MED-05-0537; 94-MED-05-0538
Date of Report: October 24, 1994

Union Representative: Robert W. Sauter
Cloppert, Portman, Sauter,
Latanick & Foley
225 East Broad Street
Columbus, Ohio 43215-3709

City Representative: Ronald G. Linville
Baker & Hostetler
65 East State Street
Suite 2100
Columbus, Ohio 43215

FACTFINDING REPORT

Michael Paolucci
Factfinder

Administration

By letter of June 1, 1994, from the Ohio State Employment Relations Board, the undersigned was informed of his designation to serve as factfinder for the Parties. At the request of both Parties an unsuccessful attempt at mediation was made on August 24, 1994. On September 23, 1994, a hearing went forward in which the Parties presented arguments and documentary evidence in support of positions taken. The record was closed at the end of the hearing and is now ready for a factfinding report.

Factual Background

The City is in Franklin County, Ohio, near Columbus; the Union represents two bargaining units, one comprised of twenty-eight (28) police officers (Case No. 94-MED-05-0537), and the second representing all full-time sworn officers above the rank of Sergeant, currently filled by six (6) sergeants and no lieutenants (Case No. 94-MED-05-0538). The parties have collectively bargained since 1981 with the most current Collective Bargaining Agreement, dated July 1, 1991, having expired on June 30, 1994. Negotiations for a new contract began on June 3, 1994, and after several unsuccessful attempts to settle the outstanding issues and a mediation session with this Factfinder, a factfinding hearing was held on September 23, 1994, where three issues were presented. They are as follows:

1. Article 13, Section 1 - Wages;
2. Article 13, Section 5 - Longevity Pay; and,
3. Article 23, Section 1 - Insurance.

Each will be addressed separately.

ARTICLE 13, SECTION 1 - WAGES

CITY POSITION

The City proposes a wage increase of 3% for each of the next three years. The City maintained that its proposal was justified based on the fact that the police force currently receives excellent compensation; that wage increases over the past ten (10) years have exceeded inflation; that the cost of living increase has been 2.4% in 1994; that when comparables for similarly situated cities are analyzed, the current wage rate is excellent; and, that there has been no change in circumstances that would warrant a larger increase than what the City has proposed. Moreover, the City contends that the proper comparables to use are those cities, statewide, which have the same general population and not, as the Union requests, other municipalities surrounding the Columbus, Ohio area. Further, it contends that, contrary to the Union's position, there is no justification for the wage rate to maintain the same basic rank within those municipalities. Even if the City's wage rate has historically been ranked near the top, the City maintains that the difference in wages is so slight that the specific ranking is insignificant.

UNION POSITION

The Union propose a 4.5% increase for each of the next three years. It argues that its position is justified in light of the fact that the City can easily afford such a pay schedule; that the difference between the Parties proposals is an insignificant \$126,878; that when the municipal police departments within Franklin County are compared with percentage increases over the last year, the City's 3% offer is unreasonable; that the Union proposal of 4.5% is much closer to the 4.99% average of those surrounding municipalities and is therefore more reasonable; that

historically the City has maintained a leadership position in annual pay for the FOP represented employees; that the Union has an interest in maintaining that position (3rd for top step Officers, and 4th for Sergeants); that the Union cited prior factfinding decisions that support its comparables; and, that the type of duties required of these employees justify such an increase since their lives are put on the line daily.

RECOMMENDATION

It is recommended that the wage increase be 4%, 4%, and 4% for each of the next three years. This recommendation is based on the fact that the Union's comparables were moderately more persuasive than the City's. It should be noted that it was uncontroverted that the City is in good financial condition. Accordingly, the proper issue is which position is most reasonable since the ability of the City to pay is not in question.

Although the City's use of similarly populated areas statewide was pertinent, it was not as forceful as the comparison of municipalities in this immediate region. The SERB statute states that the factfinder is to make "comparison[s] of the unresolved issues...giving consideration to factors peculiar to the area and classification involved." This language supports the view that the immediate vicinity has somewhat more relevance than other similarly populated areas statewide. Moreover, since each area of the state is unique, economically and otherwise, the statewide comparisons are not as helpful. Where municipalities in the immediate vicinity have similar traits, as is the case here, it must be found that comparisons to those are more relevant than comparisons based on statewide characteristics.

That having been said, the City made a compelling case that the exact ranking within those

municipalities is irrelevant when the numbers are so close. Thus, since the top five (5) salaries for municipalities in Franklin County are so tight, the fact that Grove City was historically two (2) or three (3), is not helpful in determining a reasonable wage increase. This holds true not only for the factors cited by the City, but also because there is a concern for having each municipality "leap frog" the other each time a contract is negotiated in an effort to maintain the same relative position. The City cannot be required to maintain its ranking without evidence that the difference in the top ranks is significant. Thus, based on all these factors, it is recommended that the wage be increased by 4%, 4%, and 4% over each of the next three (3) years. This amount will maintain the wage as one of the top echelon of the area; it falls within an acceptable range of increases given both statewide and, more importantly, locally; and, is reasonable in light of all the cited factors. Since there was no argument concerning retroactivity, it is recommended that the increase be made retroactive.

ARTICLE 13, SECTION 5 - LONGEVITY PAY

UNION POSITION

The Union proposes that longevity pay be increased in the first and third years by \$50.00 each year and, it proposes that an additional step be added at the twenty-first (21) year. The Union maintains the longevity pay increase is due since it has been five (5) years since the last increase; that the amount as a percentage of salary dropped to 1.5% from 1.85% in 1989; that the Union's proposal would increase that amount back to 1.64% in 1994 and 1.5% in 1996; and, that the proposal is reasonable when compared to suburbs in municipal police departments in Franklin County.

CITY POSITION

The City proposes that the longevity pay remain the same. It asserts that its position is justified by the facts that the current compensation rate is excellent and longevity pay is unnecessary; that the current longevity pay is reasonable when compared to the inflation rate; that the Union's proposal of a \$50.00 increase is unreasonable since it would mean an increase of between 6.9% and 8.7%; and, that the current schedule is comparable to other cities in both Central Ohio and statewide.

RECOMMENDATION

Based on the fact that it has been five (5) years since an increase has been made, it is recommended that the increase be \$50.00 in both the first and third year of the contract. However, since the number of employees that would be affected by an additional fourth step was not shown to be large, such additional step is not recommended. Although a number of officers have in excess of twenty (20) years of service, and thus would be affected by an added step, the Union did not show that the number was so high that the current three (3) step system is unreasonable. The fact that a number of people have gone beyond the last step, alone, is insufficient to support the need for a new step. Thus, without a showing that an unreasonable number of employees have passed the final step, no change can be recommended.

ARTICLE 23, SECTION 1 - INSURANCE

CITY POSITION

The City proposes that the current medical coverage be modified so that all employees

receive the same benefits. As currently written, these bargaining unit employees receive better medical benefits than all other employees, union and otherwise. The current language requires employees to make a \$20.00 payment per pay period with the City picking up the remainder of the premium. The new language would essentially place a cap of \$450.00 on the City's portion of the monthly contribution per employee, and then 50% of the coverage thereafter. The City contends that the current language requires the City to assume the full risk of any increase; that all other employees pay an amount similar to this proposal; that the proposal would make an efficient use of benefits and resources; that the benefit level would stay the same; that the proposal is reasonable in light of benefit expenses; and, that the proposal is reasonable when compared to the amount paid by employees in other Central Ohio departments.

UNION POSITION

The Union contends that a change in the health plan is unreasonable since there is no evidence that premium sharing is not effective in containing health rate increases and it cites a Serb report in support of its position. It argues that there is no reason to require this bargaining unit to be in lock-step with the other employees and asserts that such is insufficient to change the status quo. It contends that the Union has negotiated for this fixed benefit for its members and the City has not offered anything that would justify sacrificing this benefit. Moreover, when the suburban Franklin County municipalities are compared, only two pay a higher amount than these employees.

RECOMMENDATION

It is recommended that the Health Plan, as proposed by the City, be adopted. It must be

recognized that the issue of medical insurance is one of the most controversial today. As costs for medical insurance have risen, it has become commonplace for employees to share the costs of medical insurance with their employers. The issue here is whether the City's proposal is reasonable. A review of the medical plan that the City proposes shows that it contains excellent coverage for a reasonable cost to the employees. That fact together with the City's legitimate interest in having all employees on the same plan support the City's assertion that its proposal is reasonable. The City's interest in having consistent health coverage for all employees is legitimate since it keeps down administrative costs associated with diverse benefits; it reduces inter-union rivalry; and, it helps keep costs down so that all employees can be negotiated under one plan. It is observed that the fact that all other employees are under another plan would be insignificant if the coverage provided those employees were poor. However, where the proposed plan is exceptional, then the City's interest in having all employee's on the same plan is justified and sound. Thus, the City's proposal is recommended.

October 24, 1994
Cincinnati, Ohio



Michael Paolucci