

STATE EMPLOYMENT
RELATIONS BOARD

IN THE MATTER OF CONCILIATION MAY -2 A 11: 50

BETWEEN

THE CITY OF MARTINS FERRY

AND

FRATERNAL ORDER OF POLICE/OHIO LABOR COUNCIL

1107, 1108, 1109
SERB CASE # 06-MED-09-~~0117, 0118, 0119~~

ADVOCATE FOR THE UNION:

Rick Grochowski, Staff Representative
FRATERNAL ORDER OF POLICE/FOP-OLC
807 Falls Avenue
Cuyahoga Falls, OH 44221

ADVOCATE FOR THE EMPLOYER:

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INTRODUCTION

The Fraternal Order of Police, OLC, Inc., represents the bargaining unit (hereinafter "FOP" "bargaining unit" or "Union") and the Employer is the City of Martins Ferry (hereinafter "Employer", "City", or "Department"). The three bargaining units consist of approximately fourteen (14) employees, including one (1) lieutenant, three (3) Sergeants, and ten (10) Police Officers. The parties have a well-established bargaining relationship. Negotiations did not settle at fact finding and conciliation was required to settle the agreement. A mediation/conciliation hearing was held on April 10, 2007 over the following unresolved issues:

Listing Of Unresolved Issue(s):

- Wages**
- Court / Call-out time**
- Holiday Pay**
- Sick Leave**
- Insurance**
- Uniform Allowance**
- Out of Classification Pay (resolved)**

A hearing on this matter was scheduled and held in a timely fashion on April 10, 2007. Prior to a formal submission of evidence, the conciliator made a concerted effort to bridge the differences between the parties concerning the above referenced issues. The Employer agreed to drop one of its issues, Out of Classification Pay; however, agreement was unable to be achieved on the remaining issues, necessitating the convening of a hearing on the same day to formally address the remaining issues in dispute.

Both Advocates represented their respective parties well and clearly articulated the position of their clients on the issues in dispute. In order to expedite the issuance of this report, the Conciliator shall not restate the actual text of the parties' proposals on each issue, but will instead reference the Position Statement of each party along with a summary discussion.

CRITERIA

OHIO REVISED CODE 4117

In the finding of fact, the Ohio Revised Code, Section 4117.14 (G) (7) establishes the criteria to be considered for conciliators. For the purposes of review, the criteria are as follows:

1. Past collective bargaining agreements, if any, between the parties;
2. Comparison of issues submitted to final offer settlement relative to the employees in the bargaining unit involved with those issues related to other public and private employers doing comparable work, giving consideration to factors peculiar to the area and classification involved;
3. The interests and welfare of the public, 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;
4. The lawful authority of the public employer;
5. The stipulations of the parties;
6. Such factors not confined to those listed in this section, which are normally or traditionally taken into consideration in the determination of issues submitted to final offer settlement through voluntary collective bargaining, mediation, conciliation, or other impasse resolution procedures in the public service or in private employment.

These criteria provide the basis upon which the following determinations are made. However, it should be noted that these criteria are limited in their utility, given the lack of statutory direction in assigning each relative weight. Nevertheless, they provide the basis upon which the following recommendations are made.

DISCUSSION

These are uncertain times for Ohio public employers. Financial uncertainty continues to loom in several sectors in Ohio, punctuated by periodic announcements of companies downsizing or moving their operations out of Ohio. On February 20, 2007 a report from Moody's Investor's Service reduced Ohio's economic outlook from stable to negative, citing Ohio's declining manufacturing base, changes in tax structure, investment losses, and the need to spend more on health care and education (See Associated Press Release by John McCarthy). Between the second quarter of 2000 and the second quarter of 2005, Ohio lost some 200,000 jobs (See "Economic Indicators" Job Growth in Ohio Counties, April 2006 produced by The Center for Community Solutions, Cleveland, Ohio, www.communitySolutions.com). As the report states, "The overwhelming majority of economic activity within regions is generated through job earnings...There is no more fundamental measure of economic activity in a local jurisdiction than trends in jobs and aggregate paycheck earnings from those jobs" (p. 1 "Economic Indicators"). Unfortunately, many of the jobs lost have not been replaced by new jobs and new income. There continues to be a marked movement of manufacturing jobs out of the country and reluctance by companies remaining to restore manufacturing jobs even when the

economy turns more favorable. During this same period the federal government is reducing aid to the states and, in turn, the states are reducing aid to municipalities and other local government entities. In terms of population, the City has decreased in size by over 20% since 1980, which translates into a loss of revenue (See Employer Exh. E).

As with all business, there is a bottom line to watch and the business of public government is no exception. However, no successful enterprise can function without dedicated employees who are reasonably compensated. And, maintaining quality employees in a labor dependent business such as providing police protection to a city requires the provision of a livable wage to professional law enforcement officers who regularly place themselves in harm's way to do their jobs. The data provided by the Union clearly and unequivocally substantiate the fact that the police officers in Martins Ferry, if not provided a competitive wage increase, will continue to lose ground to comparable entities in the area. However, the financial impact of an increase in wages upon the City needs to be taken into consideration. Both parties are proposing a 10% increase in wages over three (3) years. However, the City's approach is less expensive in the first year of the collective bargaining agreement and more evenly distributes costs of said increases in the second and third years of the agreement.

On the issue of holiday pay and sick leave, the Union is asking for parity with the other bargaining units in the City. I find no compelling reason to treat the bargaining unit differently from other bargaining units with regard to these issues. It is also common for a public sector employer in Ohio to provide the same benefit package to all of its organized employees. This approach promotes labor harmony and consistency of application. With regard to sick leave and holiday pay, the fact finder found the Union's position to be reasonable, and I concur with his findings on these issues. The conciliator does not concur with the fact finder's findings on the issue of uniform allowance. Comparable data supports the City's proposed increase from the current \$600 to \$800 dollars. However, it became apparent during the hearing that the parties are in agreement on the issue of an employee having the freedom to purchase uniforms from other than the vendors designated by the City. Both parties are in agreement that employees can still purchase their uniforms/equipment from a vendor of their choice and must bring in receipts for all purchases prior to being reimbursed. With regard to the issue of court call-out pay, it is clear from the data that the bargaining unit and the police department have been diligently working to reduce the costs of overtime in recent years. The Union provided data to demonstrate that court time costs have decreased from approximately

\$70,000 in 2004 to approximately \$49,000 in 2006. This effort supports the Union's position to maintain current language regarding this issue.

On the issue of health care the Conciliator disagrees with the findings of the fact finder. The City demonstrated through the presentation of data that it needs to restructure this benefit. The data presented by the Employer also demonstrates that the average percent of an employee's health care premium in southeast Ohio is 13.9% for family coverage (See Employer's Exh. E). However, it is clear from the evidence that the FOP has demonstrated leadership in the area of employees assuming responsibility for a portion of their health care costs. In fact, the Union has been out front on this issue during the last contract period with the understanding that other bargaining units were going to be similarly treated. Unfortunately, they were not treated in a similar manner. Employees in another bargaining unit in the City ended up paying less for the same health care coverage during the past three years. This disparity of treatment is divisive and undermines good faith bargaining. The determination made regarding health insurance premiums in this report is based upon the statutory criteria and it assumes the Employer, in good faith, will address the disparity of the past between bargaining units. Any other arrangement undermines trust and will be harmful to the continuation of good faith dealing in the future.

Based upon the above, the following determinations are made:

Issue 1 Wages

In accordance with the understanding of the parties the wage increase is to be applied retroactively.

The position of the Employer is awarded

Issue 2 Court or Call-Out Time

The position of the Union is awarded.

Issue 3 Holiday Pay

The position of the Union is awarded.

Issue 4 Sick Leave

The position of the Union is awarded

Issue 5 Health Insurance

Since the parties agreed to modify proposals during the conciliation process, the Conciliator adopts the Employer's position on Article 21, Insurance, with the following caveat to be added to the language of Article 21:

The position of the Employer is awarded with the following caveat:

During the life of this collective bargaining agreement, should any other City bargaining unit receive language different from the 90%/10% co-payments described in the Employer granted language, the FOP shall be provided the same benefit.


Issue 6 Uniform Allowance

The position of the Employer is awarded

TENTATIVE AGREEMENT

During negotiations the parties reached tentative agreement on several issues. These tentative agreements are part of the recommendations contained in this report.

The Conciliator respectfully submits the above recommendations to the parties this 1st day of May 2007 in Portage County, Ohio.



Robert G. Stein, Conciliator