

<u>WAGES</u>	<u>UNION</u>
04/01/97 to 03/31/98	5.5% increase
04/01/97 to 03/31/99	5% increase
04/01/99 to 03/31/2000	5% increase

ISSUE # TWO CO-PAY MEDICAL

The choice for the Township was the following:

An amendment to the Hospitalization, Surgical-Medical Insurance Article 20 as follows:

"All full time employees shall contribute the following percentages of the applicable, annual family or single premiums towards the cost of the health and medical insurance as provided by the Township.

<u>RANK</u>	<u>PERCENTAGE</u>		
	1997	1998	1999
Assistant Chiefs	5%	10%	20%
Captain/Lieutenant	3.75%	7.5%	15%
Fire Fighter	2.5 %	5.5%	10%

Said percentages of annual premium contributions shall be deducted from payrolls on a bi-weekly basis.

CO-PAY UNION

The choice for the Union was to retain the status quo and have no co-pay or contribution toward their benefits.

FACT-FINDING

On Issue One, the fact-finder found for the same wage increase as the choice submitted by the Township in the Conciliation, namely, a five percent, four percent, and three and one-half percent increase over the three years of the contract.

With respect to co-pay (Issue Two), the fact-finder found as follows:

"It is the recommendation that the current policy with the same level of coverage and benefits be maintained in the new contract and that the employees share in any increases in the costs thereof beyond the current rates of \$624.45 for family coverage and \$237.12 for single coverage as follows: the employees shall pay ten percent of any increases during the first year of this agreement; fifteen percent during the second year of this agreement and twenty percent during the third year of this agreement".

The township proposal at conciliation differed from this finding, therefore, the fact-finding on this issue is moot.

CONCILIATION PAY ISSUE

The Township at the fact-finding meeting, and through the course of the conciliation hearing, wanted to tie any pay increase more than three percent to a co-pay with the hospitalization program.

The program presently in effect is a full payment one as opposed to a P.P.A. or H.M.O. It is therefore the most expensive and subject to inflation. The Trustee is self-insured and figured that if its employees bore some of the costs it could insulate itself from increases.

In later years, when there would be a choice of plans, then the employee that elects the more expensive plan would pay more than the one that chooses the more economic plan. Presently, however, this choice does not exist.

Some discussion has ensued thus far about the co-pay issue under this pay increase section of this decision. This was done since the Township had wanted to tie the two issues together.

The choices I had, however, were the final proposals of each party.

The Township chose the fact-finder's recommended rate of pay increase and the Union proposed another set of rates that would cost approximately \$60,000.00 more than the \$300,000.00 raise found by the fact-finder. Though the co-pay is a separate issue, its cost and its features have been considered in this award.

Evidence of comparable wages was favorably introduced by the Union.

It also appears that though an unfavorable disparity exists between the firefighter's salary, as opposed to the police, at one time, these employees were in parity.

At a time when the Township was in financial difficulties, the firefighters agreed to freeze their wages. Later they got one time reimbursements, but their wage rate was not increased.

I concur with the fact-finder that even through his recommended increase was above the pattern already established, i.e., in the 3% range rather than the initial 5% and then a 4% and 3.5% raise, this increase is a fair one that is fully justified by the evidence adduced at this hearing.

Though the fact-finder may have had on his mind that he was also going to recommend co-pay, in this conciliation hearing, the 5-4-3.5% increase was supported on it's own.

There was no new evidence of such a weight that I would support a raise above that found by the fact-finder.

CONCILIATION AWARD REGARDING PAY

04/01/97 to 03/31/98	5 % increase
04/01/98 to 03/31/99	4 % increase
04/01/99 to 03/31/2000	3.5 % increase

CO-PAY ISSUE

The co-pay issue has already been discussed. The proposal of the Township, however, differed from the fact-finder's recommendation.

This proposal left the possibility of an increase over the life of the contract.

The Township argued that co-pay should be used since it was proposing a substantial pay increase. As I have already indicated, the evidence supports the increase on its own.

The evidence did not, however, support the open ended co-pay proposal of the Township.

Clearly, subsequent collective bargaining meetings may address this problem.

Higher ranking police officers elected for substantial pay rate increases for 1996 and agreed to pay on the medical. The rest of the police got 3% increases.

In the case of the firefighters, however, I have already stated that they have established a raise that does include some catching up.

There is no financial reason why Boardman should rank fourteenth among townships in the amount it pays its firefighters.

Though townships must rely on special levies, the presence of a substantial surplus indicates that these raises can be comfortably met at this time and for the life of the contract.

Ambitious plans for more building and an eventual additional fire station seem to be within the control of this well managed township.

CONCILIATION AWARD REGARDING CO-PAY ISSUE

The hospitalization provision presently in the collective bargaining agreement shall remain the same and the Township as in the past shall pay all premium costs.


THOMAS R. SKULINA

DATE ISSUED: Sept 23, 1997