MR-13-10

Mediation Case No.

State of Ohio
State Employment Relations Board
65 East State Street, 12th Floor
Columbus, Ohio 43215-4213
(614) 644-8573
http://www.serb.state.oh.us/2000%20forms/MED/EOCOFFV.PDF

EMPLOYER CERTIFICATION OF FACT-FINDING VOTE

INSTRUCTIONS: A representative of the employer may use this form to certify the fact-finding vote of the employer. File *one original and one copy* of this form with the State Employment Relations Board at the above address and serve *one copy* on the employee organization.

1. Name of Employer:
City of Gahanna

2. Location of Employer: City: Gahanna County: Franklin

3. Name of Employer's Representative:
Isobel L. Sherwood

Address: 200 South Hamilton Road	Telephone: (614) 342-4090
City, State, Zip: Gahanna, Ohio 43230	Fax: (614) 342-4190

4. Date and Time of Vote: 4/5/2010 8:45 PM
5. Number of members of Legislative Body: 6

6. Tally of Votes:
Number of votes to approve: 0 Number of votes to reject: 6 Total votes cast: 6

7. Name of Employee Organization representing the bargaining unit(s):
Ohio Patrolmen's Benevolent Association

DECLARATION

I declare that I have read the contents of this Employer Certification of Fact-Finding Vote and that the statements it contains are true and correct to the best of my knowledge and belief

To distinguish originals, please do not use black ink for signatures.

Signature of Employer's Representative Isobel L Sherwood
Isobel L. Sherwood
Print or Type Name

Date
4/6/2010

THIS EMPLOYER CERTIFICATION OF FACT-FINDING VOTE WILL NOT BE ACCEPTED FOR FILING IF THE PROOF OF SERVICE IS NOT FULLY COMPLETED AND SIGNED BY A REPRESENTATIVE OF THE EMPLOYER.

PROOF OF SERVICE

I certify that an exact copy of the foregoing Employer Certification of Fact-Finding Vote has been sent or delivered to:

(Name and complete address of representative of the employee organization)

By ☐ Regular U.S. Mail ☐ Certified U.S. Mail ☐ Hand Delivery ☐ Other ______

this ______(day) of ______(month), ______(year).

Signature of Person Attesting to Service of Form Print or Type Name

Pursuant to Ohio Administrative Code Rule 4117-9-05(N), failure to serve upon the Board and the Employee Organization the required voting information within twenty-four hours of the expiration of the seven-day voting period shall constitute failure to reject the recommendations, and the recommendations shall be deemed accepted as the resolution of issues submitted to fact-finding. Oral notification to the Board or the Employee Organization shall not constitute timely compliance with this rule.

Factfinder Report and Recommendations

in the matter of Factfinding between

the City of Gahanna

and

the Ohio Patrolmen's Benevolent Association

SERB Case No.: 09-MED-10-1148

Marcus Hart Sandver, PhD

Factfinder

Hearing Dates: February 19, 2010

Briefs Received: March 12, 2010

Recommendations Issued: April 1, 2010

Representing the City:

Mr. Michael J. Underwood, Attorney
Porter, Wright, Morris, and Arthur
41 South High Street
Suites 2800-3200
Columbus, Ohio 43215-6194

Representing the OPBA:

Mr. Mark Volcheck, Attorney
O.P.B.A.
92 Northwoods Blvd.
Suite B-2
Columbus, Ohio 43235

I. Introduction.

This case grows out of a dispute between the City of Gahanna (the Employer) and the Ohio Patrolmen's Benevolent Association (the Union) over the negotiation of a successor labor agreement. The Collective Bargaining Unit (9) consists of full-time dispatchers and a lead dispatcher. The parties negotiated from October through December 2009 and resolved all but four issues. One of these remaining issues was resolved at Factfinding. The three remaining issues are: Article 5 – Employee Rights, Article 10 – Medical Insurance and Article 17 – Wages. It is the intention of the parties, and of this report, that all items tentatively agreed to in negotiations be included in these recommendations.

II. The Hearing

The hearing was called to order at 9:30 AM on February 19, 2010 in the City Council Conference Room of Gahanna City Hall.

At the hearing for the City were:

1.	Mike Underwood	Attorney
2.	Jennifer Edwards	Attorney
3.	Becky Stinchcomb	Mayor
4.	Angel Mumma	Director of Finance
5.	Kristen Treadway	Director of Human Resources
6.	K.A. Bell	Deputy Chief of Police

In attendance at the hearing for the Union were:

1. Mark Volcheck — Attorney

2. Maggie McCormick — Dispatcher

3. Kathrine Teeter — Dispatch

The Union submitted 13 exhibits into the record; mostly comparative wage and insurance data from other municipalities in Ohio. The City submitted 15 exhibits into the record, again mostly consisting of wage and insurance benefit plans from other municipalities in Ohio.

The parties were advised by the Factfinder that the hearing would be conducted in accordance with the Rules for Factfinding as found in O.R.C. 4117 et. al. and in the associated administrative rules as developed by SERB. The parties were further advised that the Factfinding Recommendations would be developed in accordance with the criteria for Factfinding as found in O.R.C. 4117 (c)(4)(e). The parties waived opening statements and moved immediately to a discussion of the unresolved issues.

III. The Issues.

A. Article 5 – Section 4. Employee Rights.

1. City Position.

The City position on this issue is to delete the language in Section 4 of Article 5 which does not require a written report from officers to an anonymous complaint and language which makes a complaint older than 45 days non-timely. It is the City's position that the language of Article 5 Section 4 is to restrictive of citizens' rights to complain and that the 45 day cut off on complaints is arbitrary and inflexible.

2. OPBA Position.

The OPBA position is to maintain current contract language. The Union representative pointed out to the factfinder that current contract language requires that a complaint be written and a copy given to the Union; the City proposal does not require this. The Union position on this issue is that the provisions of Article 5 Section 4 have never been an issue between the police department and the citizens and that the language of this section protects officers from baseless anonymous complaints and from complaints that have happened long ago.

3. Discussion.

The City has not produced evidence or testimony that would indicate that the language of Article 5 Section 4 has in any way interfered with or impeded the rights of citizens to file complaints about the police. No comparable language or data from other cities has been produced. I really can't see the reason to change the language of Article 5 Section 4 as the City proposes.

4. Recommendation.

Section 5 Article 4 shall remain unchanged.

B. Article 17 Section 1.

1. City Position.

The City proposes 0% for 2010, 1.5% for 2011 and a $2,000 increase in Step 1, plus a 0.5% increase in Steps 2-4 and the creation of a new step 5 which shall be compensated $1,500 more than step 4. The City defends its position on this issue on two grounds; ability to pay and comparability.

On the ability to pay issue the City has produced several graphic exhibits (Tab 8) that show that the 2009 General Fund revenue was $22,498,089 and that 2010 General Fund expenditures are projected at $31,465,432. Income tax collections are projected to decline from approximately $14,200,000 in 2007 to $13,800,000 in 2010 and 2011. The decrease was -2% from 2007 to 2008 and -7% from 2008 to 2009. In addition, the local government fund declined 16% from 2008 to 2009; about a $200,000 decline.

Appropriations for street maintenance, street rebuild, and replacement police cruisers will be cancelled. No raises will be given to non-union personnel in 2010; training, seminars and meetings will all be scaled back.

The comparability data (Tab 8) show that dispatchers in Gahanna make less starting pay than dispatchers in Bexley, Delaware, Dublin, Grove City, and Upper Arlington but at the top step make more than those in Delaware and Grove City.

2. OPBA Position.

The OPBA position on this issue is for a 3 percent increase in 2010, a 3.25 percent increase in 2011 and a 3.5 percent increase in 2012. The Union proposal does not include the addition of any new steps to the wage schedule.

In defense of its position, the Union cites ability to pay and comparability. On the ability to pay issue the Union points out that discounting for capital expenditures, the carry over in the general funds balance is about 44 percent of the general fund expenditures (Union Exhibit 6 and Union Exhibit 8). A City Council resolution passed in 2003 requires that the reserve be 25 percent (City Exhibit Tab 15).

On the comparability issue Union Exhibit # 3 shows that Dublin dispatchers received 4 percent increase in 2010 and will receive a 3 percent increase in 2011. Hilliard SM Unit will receive a 3.75 percent increase in 2010. Upper Arlington dispatchers will receive a 3 percent increase in 2010 and in 2011. Whitehall City will receive a 2 percent increase at the entry step and variable increases by step to 5.5 percent at the top step. Union Exhibit # 5 shows that only Grove City and Reynoldsburg pay less in total compensation to ten year dispatchers than Gahanna, and Grove City is scheduled for a 3 percent increase in 2010. Of the eight comparison cities listed in Union Exhibit # 5 only the City of Columbus (711,470) and Upper Arlington (33,686) are larger than Gahanna in population (32,636).

3. Discussion.

Based on the ability to pay data and the comparability data, I feel a reasonable wage raise is justified for the Gahanna dispatchers. While it is true that top step pay for Gahanna dispatchers is 1.83 percent above the average for the comparison group. When total compensation is taken into consideration, the dispatchers in Gahanna are paid 2.35 percent below average. With the wage increases scheduled for 3 percent in Columbus, 4 percent in Bexley, 3 percent in Grove City, 3.75 percent in Hilliard, 3 percent in Upper Arlington and 5.5 percent in Whitehall with no raise in 2010, the dispatchers in Gahanna will fall even farther behind wages in the comparison cities in Franklin County. It has been noted by the representative of the OPBA that the carryover budget of 44% of general funds expenditures seems a bit higher than usual – even higher than the City Council mandate of 25 percent. I understand the need for fiscal responsibility on the part of the city, but also understand the financial needs of the dispatchers.

4. Recommendation.

January 1, 2010 – 2.5 percent increase

January 1, 2011 – 2.5 percent increase

January 1, 2012 – 3.0 percent increase

C. Article 10 – Insurance.

1. City Position.

At the present time employees pay 6 percent of the premium of the premium for the health insurance plan (both single and family). There is a prescription drug plan with a co-payment of 15 percent for generic drugs ($7.50 minimum), 25 percent for brand preferred drugs ($20 minimum) and 35 percent for brand non-preferred ($35 minimum). For the mail order program the co-pay is 15% generic ($10 minimum) 25 percent brand preferred ($30 minimum) and 35% percent for brand non-preferred $50 minimum). There is an annual $2,000 combined cap for all 3 categories.

Under the City proposal the premium co-pay would increase to 15 percent for those who do not elect the Healthy Merits Insurance Program. The City proposal would eliminate the $2,000 annual prescription combined cap. The City plan would add a fourth category of drug coverage; specialty medications with a $100 co-payment (minimum $100) and a $2,000 annual cap. The Healthy Merits Insurance Program (City Exhibit Tab 8) is a privately operated health monitoring system which sets goals for cholesterol, blood pressure, glucose, triglycerides and smoking cessation.

2. OPBA Proposal.

The OPBA proposal is to raise premium co-pay to 7 percent in 2010, 8 percent in 2011 and 9 percent in 2012. The Union proposal would retain the current prescription plan but would add a fourth tier (specialty drug) with a co-pay of $100 ($100 minimum). The Union plan would have a combined family cap on out of pocket expenditures at $2,000 for tier 1-3 drugs and a separate combined family cap on out of pocket expenditures at $2,000 for tier 4 drugs.

3. Discussion.

Health insurance issues are probably the number one topic I see in Factfinding and Conciliation. In most instances the parties negotiate over how much the employees' contribution to premium share will increase and how much more the co-pay will be for prescriptions. Everyone seems certain that health insurance costs will increase for both employees and employers over the next few years, but no one knows by how much – for certain. In looking over the comparables (Union Exhibit # 9) the dispatchers in Gahanna pay the lowest premium share (e.g. Bexley 8 percent, Dublin 0/15 percent, Grove City 10 percent, Hilliard 0/9.5 percent, Reynoldsburg 12 percent, Whitehall $65 and Columbus 9 percent). The proposed Gahanna Healthy Merits Program seems similar to the Dublin Wellness Initiative in that the employee pays a reduced premium share; 6 percent versus 15 percent for those not in the wellness plan. The 15 percent premium share for non-participants would be the highest of all comparable cities – the same as Dublin. The premium share of 6 percent on the other hand would be the next to the lowest (Dublin would be the lowest at zero) of the comparison cities. The union, it should be noted has voiced quite strong opposition to the healthy merits plan on the grounds of the scope of the program, the subjective nature of the assessment, the invasiveness of the program and the discrimination against the unhealthy which the program would bring about. The OPBA representative points out that the healthy merits program is unlike the Dublin program whereas in Dublin enrollment in the wellness plan is all that is required to receive the zero premium share. In the healthy merits programs, goals are set based on an annual blood test administered to the employee and his or her spouse. If the goals are not met then the premium share goes to 15% for the following year. In the test group of 79 non-union employees 9 employees did not meet their healthy merit goal in the first year of the program; over 11 percent of the participants. If we extrapolate these results to the dispatchers, 1 or 2 people are going to fall into the 15 percent premium share; an increase of 2 ½ times the current rate.

I don't want to go on record opposing employee wellness plans; in fact I participate in the O.S.U. Wellness Program. I find the healthy merits plan a bit draconian. In addition to rewarding good health, it also punishes those with poor health (or who make poor health choices). I would not recommend it as presently proposed.

The Union proposal to increase premium share seems in line with the trends in health care costs and by 2012 will place Gahanna dispatchers about even with comparable jurisdictions. Both parties agree to the fourth tier prescription plan with a $2,000 cap; the City plan would be an individual cap, the Union plan would be a family cap. I find the Union plan family out of pocket cap at $2,000 for tier 1-3 drugs and $2,000 for tier 4 drugs to be reasonable.

4. Recommendation.

a. Health Insurance.

Effective Date	Rate-Family	Rate-Simple
1/1/2010	7%	7%
1/1/2011	8%	8%
1/1/2012	9%	9%

b. Prescription Plan.

- Current Contract Language.
- $2,000 family out of pocket cap Tier 1-3 drugs.
- $2,000 family out of pocket cap Tier 4 drugs.
- Add Tier 4 language for specialty drugs.

IV. Certification.

This Factfinding Report and Recommendations is based upon evidence and testimony, and post hearing briefs supplied to me by the parties on February 19, 2010 and March 12, 2010.

Marcus Hart Sandver, Ph.D.
Factfinder

V. Proof of Service.

This Factfinding Report and Recommendations was sent by regular U.S. Mail and electronic mail to Mr. Michael Underwood, 41 South High Street, Columbus, Ohio and to Mr. Mark Volcheck at 92 Northwoods Blvd., Columbus, Ohio on April 1, 2010.

Marcus Hart Sandver, Ph.D.
Factfinder
February 24, 2010