



fiscal year 2003-2004 and did in fact, make major concessions in insurance premiums and benefits in their last best offer to attempt to help correct a problem they did not create. He said these concessions would cost the employees represented by IUPA over \$132,000 in this fiscal year. The City has failed to move off the issues involving insurance attempting to force IUPA to waive its right to negotiate on insurance issues. The City, in its last best offer, has attempted to put into place, a management right, that would force waiver of the statutory right to bargain over insurance issues. He said the law is clear, a waiver of a right to bargain has to be clear, concise, and voluntary. He said they would go on record to state the IUPA Local 24 has no intentions of waiving the right to bargain on insurance issues. However, they do intend to negotiate and bargain on those items in good faith. He said the IUPA just received an award to reinstate the non-PPO coverage to the insurance plan and has agreed, in their last best offer, not to implement that award for 2003-2004. On the issues of the merit step increases, the city staff has not been able to properly place a cost on the increase for fiscal year 2003-2004. If the staff had properly advised the Council of what the actual cost of this issue was, they very well may not have been at impasse. The City came into the arbitration hearing with a cost of this issue at over \$360,000 and staff came back later in the hearing with a cost, refigured, at \$105,000; this is an accounting error of over \$250,000. Even with this figure, the city staff was not able, at the arbitration hearing, to provide a proper foundation for the cost analysis placing the amount at \$105,000, therefore, this figure, in our minds, is in question as to whether that is accurate or not. He said the IUPA provided a figure on this issue at \$66,300. We also had documentation of each officer due a merit increase for fiscal year 2003-2004, what percent of an increase that would be and for how many weeks during this current contract year they would receive that merit increase. The IUPA has laid a proper foundation for its cost analysis and has not had to waiver on that figure. The City, in its post hearing brief, stated the projected savings to the City, with its last best offer, would be \$136,430 and the additional affect on the fiscal year 2003-2004 budget, the IUPA's last best offer, would be \$112,000. The City attempted to bolster their position by stating the difference as \$230,000 in the agreement. He said the difference is \$112,000 and that's using the City's figures. An election would cost the City approximately \$15,000; the City has already spent several thousand dollars hiring Mr. Puckett and Mr. Crawford to represent them at the arbitration hearing. He said Crawford, the auditor for the City, testified at the arbitration hearing the City did, in fact, have the available revenues to fund the IUPA's offer; he went on to testify this was the first time he has testified that a city had the available revenue to fund a union's offer. He said it is not in the best interest of the community, the citizens, the city government or the police department to continue this process any farther. They do not ask for, nor have been awarded anything new in this contract. In fact, they have made a large amount of concessions for fiscal year 2003-2004. Harrell said one of the biggest questions the Council has to ask is how do the citizens of this community feel about this issue of whether to go to a vote of the people. He said just look around this room tonight and these are the citizens of the community and it's clear they have shown their support in how they would cast their vote, should this go, so they asked and encouraged Council to accept the arbitrator's award and bring this issue to a close so all can get back to the business of doing the City's business.

Hanna said we have heard from their representative, now can the City have their say, so the public can understand what is going on. He said the voting public knows there are two sides to every story and we have heard just one side, now let the City have their say.

Rick Endicott, Finance Director, said during arbitration hearing, we recognized an error was made, we corrected it the best we could. He said since that time, we have provided Council and City Manager with information listing each and every one of the officers eligible for step increases and that number is currently \$92,000, our total cost for everything would be \$160,000, if the citizens chose to adopt the union proposal.

Hanna asked Endicott to break that down to where the costs are coming from, such as health insurance, etc. and why there is a disagreement, so everyone understands.

Endicott said they have gone back, looked at every officer, and compared it to the list the IUPA presented at the arbitration hearing. At the hearing, they testified the cost for step increases was \$62,848 for 56 officers; the list they presented had 69 officers on it and our list has 68. He said their list did not include many of the incentives. The number for the step increases is \$92,110, the reason for the difference in the \$92,000 and the \$105,000 is we realized there were probationary officers and recruits in our list and we took them out. He said there is no attempt to deceive anybody in this process; a mistake was made and we fixed it. The educational assistance we are estimating \$2,087. Based on the last best offer presented by the IUPA, the City's cost for the insurance would be an additional \$53,400. He said in their schedule they have individual premium costs, \$50 they have agreed to; in their schedule for individual with one dependant, they have \$192.46, the City employees are currently required to pay \$249.46; individual with two dependants, their schedule shows \$206.46, the City's schedule is \$256; individual with three plus dependants, their schedule shows \$216.45, the City's schedule is \$266.45 and we estimated that cost to be \$53,400. He said to adjust for officers in grades 11, 21, 26 and 30; the estimated cost is \$13,391 for a total cost of \$160,988.

Powell explained these are the figures for the City's last best offer and the IUPA's last best offer and there is some difference and Endicott and Harrell have both talked about that briefly.

Harrell said for clarification, apparently, there is some misinterpretation of the intent of the language in the IUPA's

last best offer concerning insurance. He said they would go on record that the intent of the language on the premiums is for each employee to pay their \$50 plus the dependent costs; so, it s those three dependant levels plus their \$50 for their own person. He said that is the intent of that language, it s not for an employee with one dependant to only pay \$192.46, it s to pay that plus the \$50 for their own coverage, so that would negate that \$52,000 difference in the insurance premiums.

Powell said what he hears is not only they would pay the \$50 like everybody else, but they would pay like everybody is for those different levels.

Harrell said they would be paying at the same level all other city employees are right now.

Bass asked if that was included the interest arbitration.

Harrell said his testimony at the interest arbitration was they would pay the \$50 plus the dependent coverage levels. He said he was notified later on that there may have been some concern over that, however, it was not the intent of that language, nor was that his testimony at the arbitration hearing. He said the intent of that was to pay the \$50 plus whatever the dependant coverage is.

Powell said, for clarification purposes for everybody: we talked about the \$53,400 and the reason for that was what Harrell just said that they will participate, as all other employees. He asked Endicott if that is what he d heard.

Endicott said that is what he heard.

Powell asked if that would negate that \$53,400.

Endicott said legally he could not answer that. He said that was what was in the last best offer and that s why we picked that up, but if they participated in that portion of it, just like every other city employee, it would negate that \$53,400.

Powell thanked Endicott and asked Vincent for some advice on this.

Vincent said Harrell is to be trusted and he s sure Mr. Yarborough, President of the Union, would agree and if Powell would like him to come up and testify on the record, if they were to file a grievance, we could use his testimony at the hearing to defeat their grievance.

Brent Yarborough, Lawton Police Officer, IUPA Local 24 President, said that is their intent and was discussed at length at the arbitration they would pay the \$50 and also pay the breakdown on the tier system. He said there is no intent by this union, in their last best offer, to not pay the \$50 or just pay the dependent coverage; if an officer elects coverage through the City of Lawton, they will pay the \$50 and if they have the dependent care through the tier system, they will be paying the \$50 plus whatever that is.

MOTION by Shanklin, SECOND by Patton, to accept the arbitrator s award in the case of IUPA, Local 24 vs. City of Lawton, Oklahoma, FMCS 030417-5083-78 for fiscal year 2003-2004. AYE: Ewing-Holmstrom, Patton, Haywood, Warren, Bass, Hanna, Devine, Shanklin. NAY: None. MOTION CARRIED

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#### ANNOUNCEMENT:

Powell said on September 11, we all remember that day: General Maples and himself have a Proclamation and there are some things that affect all of us. He said he had talked with the City Manager about this; all persons who have a flag at home or business, fly that at half staff, in accordance with the Presidential Decree, at 8:46 a.m. on September 11, 2003 and all business and transportation cease for 1 minute, in honor of those who lost their lives on September 11<sup>th</sup>, as well as our men and women in uniform, fighting to preserve the freedoms we have in this United States of America, whereby, you and I can come together and have a meeting such as tonight and express our wishes and desires and the democratic system does work. Powell asked everyone to honor this.

Chief Thorne recommended everyone do this because it is very important.

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ADJOURNMENT: There being no further business to consider, the meeting adjourned at 6:55 p.m. upon motion, second and roll call vote.