

IN THE MATTER OF FACT-FINDING

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BETWEEN

THE CITY OF NORTH OLMSTED

AND

OHIO PATROLMAN'S BENEVOLENT ASSOCIATION

BEFORE: Robert G. Stein

SERB CASE NO. 03 MED 10 1258

PRINCIPAL ADVOCATE (S) FOR THE UNION:

Jeff Perry, Staff Representative
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and

PRINCIPAL ADVOCATE FOR THE CITY:

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INTRODUCTION

The bargaining unit is comprised of seven (7) full-time employees in the classifications of Dispatchers. (Herein "bargaining unit members").

The parties reached impasse and went to fact finding June 4, 2004. The two issues at fact-finding are wages and longevity.

Both Advocates represented their respective parties well and clearly articulated the position of their clients on each issue in dispute. In order to expedite the issuance of this report, the Fact-finder shall not restate the actual text of both party's proposals on each issue, but will instead reference the Position Statement of each party. The Union's Position Statement shall be referred to as UPS and the Employer's Position Statement shall be referred to as EPS.

CRITERIA

OHIO REVISED CODE

In the finding of fact, the Ohio Revised Code, Section 4117.14 (C)(4)(E) establishes the criteria to be considered for fact-finders. For the purposes of review, the criteria are as follows:

1. Past collective bargaining agreements
2. Comparisons
3. The interest and welfare of the public and the ability of the employer to finance the settlement
4. The lawful authority of the employer
5. Any stipulations of the parties
6. Any other factors not itemized above, which are normally or traditionally used in disputes of this nature.

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:

ISSUE 1 Article 31 WAGES

Union's position

See UPS.

Employer's position

See EPS.

Discussion

The City contends that the bargaining unit members are among the highest paid Dispatchers in the surrounding geographical area. The data submitted by the Employer in the main supports this contention. There does not appear to be any serious issue of external equity present in this dispute.

From the standpoint of internal comparables and pattern setting, other bargaining units have agreed to the City's proposed wage settlement. One of these settlements was with the Police Officers, always considered one of the two major safety bargaining units in any municipality. Secondly, the other major safety unit, Firefighters, went to fact-finding. The distinguished Arbitrator and Fact-finder, Harry Graham, also adopted the negotiated pattern of no increase in the first year and 4.5 % increases in the remaining two years of their agreement. In addition to the City's safety bargaining units, the City's non-uniformed bargaining

units represented by AFSCME and the FOP corrections' bargaining unit have accepted the City's proposed wage pattern.

While it is most difficult for any bargaining unit to accept a wage freeze, the economic downturn of 2002-2003 nationally and in the state of Ohio has impacted the City. Unfortunately, this is the case throughout many counties and cities in the state. Many other communities have been particularly hard hit during the past one to two years. Recently published wage settlements, some of which this Fact-finder has been involved with, reflect this situation.

The data demonstrating the City's immediate financial shortfall along with its more optimistic outlook for 2005 and beyond is convincing. The Union made a sound argument for providing its Dispatchers with competitive wages; however, the financial state of affairs and the internal comparables support the City's position in this matter.

Recommendation

1st year: Maintain Current Wages

Effective 2005.....4.5% Increase

Effective 2006.....4.5% Increase

Union's position

See UPS

Employer's position

See EPS

Discussion

The Union made a strong argument regarding the past good faith efforts of the bargaining unit to reform the longevity program in the direction sought by the City. The bargaining unit in 1990 agreed to create a two (2) tiered longevity system in which employees hired before January 1, 1990 were "grand fathered" into the old percentage based longevity system (4% to 7%), while those hired after January 1, 1990 received flat dollar amounts (\$250 to \$1,000) paid each year and increased at five (5) year intervals of employment. The bargaining unit was told they were the lead unit in this transition and that others would follow suit. Although other non-safety bargaining units in the City followed suit, the remaining safety forces' units did not end up changing their longevity system.

Proposed changes in benefits must be negotiated and often must survive impasse proceedings. Not surprisingly, the City has not been able to secure a change in a benefit that is well rooted in the history of

negotiations with the other safety forces' bargaining units. Yet, the Dispatchers have a different history of negotiating over longevity.

The history of negotiations is a major statutory factor to be considered by fact-finders, and unlike the other safety forces, the Dispatchers voluntarily agreed to gradually move from a percentage-based longevity system to a fixed-dollar longevity system some fourteen (14) years ago. The parties apparently agreed upon a "quid pro quo" exchange that involved an agreement to transition from a percentage-based longevity to a fixed-dollar longevity in exchange for substantial wage adjustments.

At the same time the transition to a two (2) tiered longevity system was implemented, the City made external equity adjustments in wages that dramatically increased hourly wages from approximately \$4.40 per hour to approximately \$7.30. This represents about a 70% increase, not to mention the subsequent compounding advantage gained every time a wage percentage increase was applied to the higher hourly rates. The data also indicate the Dispatchers were in need of this equity adjustment as the local geographic area paid substantially higher wages. Regardless of the basis for these substantial wage changes, the reality is the bargaining unit in one round of bargaining set the stage for its current favorable wage position relative to other nearby communities. Members of the bargaining unit are now among the highest paid Dispatchers in the

greater west side of Cleveland's suburbs. The low turnover in the bargaining unit is further evidence of the existence of a competitive wage rate.

The majority of the members of the Dispatcher's unit are now paid under the fixed-dollar longevity system. The history of negotiations between the parties has placed the Union in the same position as the City finds itself with other bargaining units. It is seeking to undo what has been accepted and agreed upon over multiple contracts.

The Union also introduced evidence that the Administration has maintained a longevity system based upon percentages for itself, in apparent contradiction to its stated desire to move away from such a system. Although it is well known that many top administrators in a public entity are highly mobile and often not in a position to collect longevity, it is puzzling why the City would continue to pay its administrators under a percentage-based system after taking a public stand against such a system with its bargaining units. The importance of leading change in terms of new benefits is a common practice. The City may very well have a defensible reason why it continues to pay administrators on a percentage-based longevity system. One reason could be its inability to attract qualified candidates. Yet it is understandable why the Union perceives that the City is not "practicing what it preaches."

The history of bargaining and the exchange of a substantial wage inequity adjustment for a fixed-dollar longevity system is strong data in support of the status quo. The Union's case underscores the good faith commitment of the City to treat the Dispatcher's bargaining unit in an equitable fashion compared with other bargaining units in the City. Several other employee groups in the City's service based units have a dollar-based longevity system. However, it was stated in the hearing that the AFSCME bargaining unit's longevity, while also a fixed dollar amount system, is more lucrative. There does not appear to be any plausible explanation for this disparity.

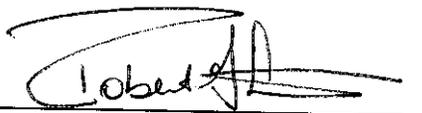
Recommendation

The bargaining units' longevity schedule shall remain on a fixed-dollar basis, but it shall be upgraded to match the highest fixed-dollar schedule provided for AFSCME bargaining unit employees.

TENTATIVE AGREEMENTS

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

The Fact-finder respectfully submits the above recommendations to the parties this 14th day of July, 2004 in Portage County, Ohio.



Robert G. Stein, Fact-finder

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