

STATE OF OHIO  
STATE EMPLOYMENT RELATIONS BOARD

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RELATIONS BOARD

2005 DEC 28 A 10:59

THE CITY OF MARION, :  
Employer, :  
-and- : Case No. 05-MED-09-0974  
UNITED STEELWORKERS OF AMERICA, :  
AFL-CIO-CLC, LOCAL 1949, UNIT 2B, :  
Employee Organization. :

**FACT-FINDING**

*Philip H. Sheridan, Jr., Fact-finder*

*Issued: December 26, 2005*

Steven R. Pyles, H.R. Director  
City of Marion  
233 West Center Street  
Marion, Ohio 43302

For The Employer

Billy Collins, Key Staff Representative  
United Steelworkers of America AFL-CIO-CLC  
1340 West Fourth Street  
Mansfield, Ohio 44906

For The Employee Organization

## STATEMENT OF THE CASE

The parties, the City of Marion, represented by Steven R. Pyles, Human Resources Director, and the bargaining unit, United Steelworkers of America AFL-CIO-CLC, Local 1949, Unit 2B, including 11 full-time employees at the Marion City Health Department, represented by Billy Collins, Key Staff Representative, have entered into negotiations for a successor contract to the contract that expires December 31, 2005.

The parties met and bargained in good faith with a number of meetings between the parties. The parties without dispute, or through negotiation, reached apparent tentative agreement on all but 3 issues in the Articles that were negotiated.

Pursuant to R.C. §4117.14 and Admin. R. 4117-9-05, the State Employment Relations Board appointed Philip H. Sheridan, Jr., 915 South High Street, Columbus, Ohio, as fact-finder.

The parties agreed to a fact-finding hearing on December 16, 2005, and the meeting was convened at 10:00 a.m. at the Marion County Administration Building. In addition to their representative, Deb French, Director of Public Health, and Dan Cobb, Safety Service Director, appeared at the hearing on behalf of the City. In addition to their representative, Carol White, Deputy Registrar and Secretary, and Gerrie Ross, WIC Service Coordinator, appeared on behalf of the bargaining unit. The parties and the fact-finder discussed the procedure to be followed by the parties.

The parties agreed that the remaining issues were not amenable to additional mediation. The parties submitted the matter upon statements, documents, and arguments presented to the fact-finder.

In accordance with the provisions of R.C. Chapter 4117, the parties provided me with a copy of the current contract, the issues that have been resolved, the unresolved issues, and each party's proposal on the unresolved issues.

In issuing this fact-finding report, I have given consideration to the provisions of R.C. Chapter 4117 and, in particular, the criteria contained within Admin. R. 4117-9-05(I). The evidence and arguments presented to me convince me that Marion has experienced flat revenue and net reductions in its carryover balance in three of the last four years, which is clearly a subject of considerable concern to the City, the Local, and the public. Costs of equipment, maintenance, fuel and health insurance seem likely to continue to increase, as will wages and benefits. On the other hand, the bargaining unit employees in both the WIC and Environmental Health areas have increased their productivity, which increases revenue to the City.

### **THE POSITION OF THE PARTIES AND RECOMMENDATIONS**

#### **Article 21, Health, Life, Dental, Drug Insurance**

The City's Position: The City proposes a continuation of the health, prescription, dental and life insurance coverage. The City will pay 90% of the premium costs and this bargaining unit will pay 10% of the premium costs with the following per pay caps for employee contributions: effective the first full pay of 2006, \$45.00, effective the first full pay of 2007, \$50.00, and effective the first full pay of 2008, \$55. \$20,000 in life insurance coverage is included. There is also opt out language available for certain employees who have had City coverage for at least one year, who are not married to another City employee, and who have proof of other coverage. All City employees have the same plans available, although the percentages and caps are separately negotiated in each bargaining unit's

contract, and non-union employees pay the average of the negotiated contracts as provided by City Ordinance. The City presents this article as a part of an economic package along with the wages and pension pick-up.

The bargaining unit's Position: The bargaining unit believes it has agreed to the terms of this article and asks the fact-finder to adopt it as proposed.

Discussion and Recommendation: I recommend the City's contract language. Although I understand the City's position that this article is related and is subject to change in order to balance any change I might make in wages or pension pickup, the language is not substantially different from the 12.5%, 87.5% premium pays agreed to in four of the five contracts the City has negotiated with other bargaining units. The proposal amounts to very little change from the terms of the expiring contract.

Article 22, Wages, Section 1, Increases, Section 2, Members' Contribution to Pension Fund

The City's position: The City proposes an across-the-board wage increase effective the first full pay period of 2006 of 2.5%, an across-the-board wage increase effective the first full pay period of 2007 of 2%, and an across-the-board wage increase effective the first full pay period of 2008 of 1.5%. The City proposes maintaining the portion these bargaining unit employees pay as the member contribution to the Public Employees Retirement System, which is currently 2.5%. The PERS system will increase the amount of employee contribution, which will result in the City picking up .5% more of the member contribution in each of the years of the contract. The City maintains its proposals on wages are fair and equitable. The offer is higher than that agreed to by four of the five union agreements the City has already negotiated in terms of overall percentage increase, and the increases are "frontloaded" to this bargaining unit, while the other agreements have been

lower in the first year and increased in the second and third years. The City submitted comparables that demonstrate that the bargaining unit members are already the highest paid employees in their classifications compared to cities and counties within reasonable commuting distance to the City, and the City's offer is significantly above that paid by the Marion County Health Department. The City points out that the other United Steelworkers bargaining unit settled for the same amount the City is offering, and that this unit offered to take less at one point in the negotiations. Finally, the City claims that the significant decrease in its unencumbered balance over the last three years because of general fund deficits supports its reduced offer to the bargaining unit members compared to the 3% increases enjoyed by the bargaining unit members in each of the three years of the expiring contract.

The bargaining unit's position: The bargaining unit proposes 2.5% across-the-board wage increases in each year of the contract. The bargaining unit also accepts the City's pension pick-up proposal. The bargaining unit asserts that the City is able to pay reasonable increases that will allow the Marion City Health Department bargaining unit to continue to receive a similar increase in wages and benefits that it enjoyed in the previous contract. The work of the bargaining unit is valuable to the citizens of the community and should be rewarded. The bargaining unit is made up of six WIC workers and five Environmental Health workers. Both groups of workers have experienced significant increases in their workloads, and they expect the duties to continue to increase, with a resultant increase in revenues to the City. The WIC employees are also supported by a State grant that funds a substantial majority of that program's operations. The City gave the WIC Director a 30% raise in fiscal year 2004, and she works part-time and has assigned part of her duties to

bargaining unit employees. The non-bargaining unit City employees are receiving a 3.29% across-the-board wage increase.

Discussion and recommendation: I recommend a 2.5% across-the-board pay raise effective the first full pay period of 2006, a 2.0% across-the-board pay raise effective the first full pay period of 2007, a 2.0% across-the-board pay raise effective the first full pay period of 2008, and a .5% pension pick-up in each of the years of the contract. I am convinced that the City made its case for smaller wage increases than the bargaining unit enjoyed in the last contract. However, the City is able to pay. The doom and gloom on the future of the economy and what amounts to one substantial decrease in the unencumbered balance in 2003 (about \$1.9 million after total expenditures of almost \$17.8 million) is a slender reed on which to base a decrease of 2% over the term of the contract from what the bargaining unit enjoyed over the term of the last contract in essentially unchanged conditions. It appears that half of the increases that contributed to the deficit were due to the budgeted amounts for fire and police services. The remainder was spread evenly across the budget. The balance increased \$1.2 million from 1999 to 2000, as well, so I am not sure the decrease is that significant. A one percent raise for the bargaining unit, including benefits, increases the City's costs by about \$4,500 in the first year, and a bit more as wages increase, so the change I propose will cost about \$2,200 over the term of the contract. I did not recommend the entire increase requested by the bargaining unit because of my consideration of the comparables submitted by the City and the internal bargaining comparables with other City bargaining units. The pay of the WIC Director does not persuade me to increase the contract amount received by this bargaining unit. Similarly, the City's argument that my change will result in pattern bargaining with the next bargaining unit of 60 members is by no

means conclusive. Neither the City nor the bargaining unit has proposed unreasonable wage and benefit packages, and my recommendation leans toward the City's position.

CONCLUSION

I recommend that the parties adopt the tentative agreements reached by them. The parties cooperated in presenting their positions to me, and in our mediation efforts. The courtesy and professional behavior was evidence of the good relations between the parties. Good faith bargaining does not necessarily lead to agreement, but I encourage the parties to continue to bargain in good faith even if they are unable to agree on my recommendations.

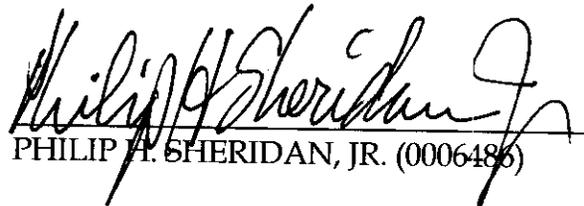
Respectfully submitted,



PHILIP H. SHERIDAN, JR.  
Fact-finder  
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Columbus, Ohio 43206-2523  
(614) 445-0733

CERTIFICATE OF SERVICE

A copy of the foregoing Fact-Finder Report was served by UPS Overnight Mail this 26th day of December, 2005, to the principal representatives of the parties and by Regular U.S. Mail, postage prepaid, to State Employment Relations Board, 65 E. State St., 12<sup>th</sup> Floor, Columbus, OH 43215-4213.

  
PHILIP F. SHERIDAN, JR. (0006486)