

STATE OF OHIO

STATE EMPLOYMENT
RELATIONS BOARD

BEFORE THE STATE EMPLOYMENT RELATIONS BOARD

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FACT-FINDING PROCEEDING

Case No. 08-MED-09-1000

The City of Blue Ash, Employer

and

Fraternal Order of Police, Ohio Labor Council, Inc., Employee Organization

REPORT AND RECOMMENDATIONS OF THE FACT FINDER

Daniel N. Kosanovich

ISSUED: January 9, 2009

Appearances:

**Kirk M. Wall, Esq.
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191 W. Nationwide Blvd., Suite 300
Columbus, OH 43215
(For the City of Blue Ash)**

**Ross Rader
Staff Representative
Fraternal Order of Police, Ohio Labor Council, Inc.,
222 E. Town Street
Columbus OH 43215-4611
(For FOP, Ohio Labor Council, Inc.)**

REPORT AND RECOMMENDATIONS

I. Background

The bargaining unit in this case consists of all full-time Dispatchers employed by the City of Blue Ash, but excluding all other employees. There are approximately five Dispatchers in the bargaining unit. The employer is the City of Blue Ash. The parties have a collective bargaining history which dates back to 2005.

The City of Blue Ash and the FOP, Ohio Labor Council, Inc., have engaged in collective bargaining in an effort to provide a successor agreement to the contract that expired by its terms on December 12, 2008. The parties have tentatively resolved all issues except for wages. The tentative agreements made on all issues except wages resolved through negotiations by the parties prior to the fact-finding hearing are incorporated in this fact-finding report as if fully re-written herein.

At the outset of the hearing, the undersigned offered to mediate the open issue and said offer was declined by the parties.

It must be noted that during the course of the fact-finding hearing both parties were given full opportunity to submit evidence in support of their respective positions on the remaining unresolved issue and they availed themselves of those opportunities. Set forth below are the undersigned's recommendations on the remaining unresolved issue of wages.

II. Criteria

In compliance with Ohio Revised Code, Section 4117.14(G)(7), and the Ohio Administrative Code, Section 4117-95-05(J), the Fact-Finder considered the following criteria in making the recommendations contained in this Report:

- 1) Past collectively bargained agreements between the parties;

2) Comparison of unresolved issues relative to the employees in the bargaining units with those issues related to other public and private employers in comparable work, given consideration to factors peculiar to the area in the classifications involved;

3) The interest and welfare of the public, the ability of the public employer to finance and administer the issues proposed, and the effect on the normal standards of public service;

4) Lawful authority of the public employer;

5) Stipulations of the parties; and,

6) Such factors as not confined to those above which are normally and traditionally taken into consideration.

III. Findings and Recommendations

Wages

Article 19

City of Blue Ash's Position

The City of Blue Ash's offer of a wage increase adduced at the fact-finding hearing was an across the board wage increase of 2.5% in each year of the three year contract. Generally, this position was adopted as a response to the overall economic climate, the slowing of tax revenue generated each year versus the increases of expenditures, and a certain level of fiscal responsibility.

Non-unionized employees who work for the City were granted the 2.5% wage increase. The recently negotiated Fire Lieutenant's contract provides for a 2.5% wage increase in each year of a three year agreement.¹ With regard to external comparables, the

¹ The Fire Lieutenant's contract between the City of Blue Ash and the International Association of Firefighter's Local 3203 was provided to the undersigned via email following the hearing. The Union did not object to its submission.

City asserts that Dispatchers, with a 2.5% wage increase in each year of a three year contract, will rank at the top of comparable cities in the area. Furthermore the 2.5% wage increase offered by the City compares favorably to other public employee bargaining units in the area. For instance, Hamilton County employees received a 0% wage increase in recent negotiations and the Sycamore teachers received a 1.0% wage increase in year one of their contract; a 1.25% in year two of their contract; and a 2.0% wage increase in the third year of their contract.

Finally, there is the issue of bond ratings. The City submits that it has a need to demonstrate fiscal restraint and slow growth of wage increases in order to maintain its bond rating. Thus, the conclusion to be drawn is that the 2.5% wage increase offered by the City is very reasonable.

FOP, Ohio Labor Council's Position

At the fact-finding hearing, the FOP Ohio Labor Council, Inc., argued that the proper recommendation with respect to wages should equal a 3.0% wage increase in year one of the contract; a 3.25% wage increase in year two of the contract; and a 3.0% wage increase in year three of the contract.² In support of its position, the Union points to the parties' collective bargaining history. Admittedly, bargaining unit members never received less than a 3% wage increase in the past. Moreover, when compared to the City's Patrol Officer's contract, a disparity occurs. The Patrol Officer's contract calls for a 3.0% wage increase in 2009, and a 3.25% wage increase in 2010. Likewise, the Sergeant's Collective Bargaining Agreement provides for a 3.0% wage increase in 2009. In other words, internal comparables support the Union's requested wage increase.

² According to the City's pre-hearing position statement, in negotiations the Union had proposed a wage increase for each year of the contract of 2.8%.

With respect to the City's ability to finance the Union's proposal, the Union submits that the cost of the entire proposal, allowing for a 25% roll-up cost, is estimated to be \$11,000.00. The conclusion to be drawn is that the City of Blue Ash is able to finance the Union's proposal, notwithstanding the City's need to slow the growing wage increase amounts.

FINDING AND RECOMMENDATIONS

Historically, the Dispatchers working for the City of Blue Ash have received wage increases of no less than 3.0% per year. It appears to be the norm for the Dispatcher's unit, as well as other City employees. The evidence submitted at the fact-finding hearing also demonstrates that the City's revenue growth has slowed recently. Therein lies the tension which arises in the present case.

Utilizing the traditional factors set forth above in Section II of this report analyzing the situation provides a foundation of the recommendations made herein. The collective bargaining history is referenced above. As noted, the bargaining unit members have come to expect reasonable wage increases of 3.0% per year. The parties have established a pattern through their bargaining efforts and to deviate significantly from that pattern the City must provide a compelling reason.

A review of internal comparables reveals that the Sergeant's bargaining unit will receive a 3.0% wage increase in 2009. More importantly, perhaps, the Patrol Officer's will receive a 3.0% wage increase in both 2009 and 2010. This evidence tends to support the Union's position taken at the fact-finding hearing.

On the other hand, the record shows that the non-union City employees received a 2.5% wage increase for 2009. In addition, the Fire Lieutenant's bargaining unit

negotiated wage increases of 2.5% for each year for the next three years. These 2.5% wage increases demonstrate the City's intent to reign in expenditures.³

With respect to the external comparables adduced at the fact-finding hearing, the record shows that the Dispatchers from the City of Blue Ash are well compensated when compared to others in the area. Even with the employer's wage increase proposal the Dispatchers will remain among the highest paid dispatch employees. Less compelling and of marginal relevance is the evidence that shows that Hamilton County workers are under a wage freeze and that the Sycamore teachers accepted wage increases of 1.0%, 1.25%, and 2.0% over the next three years.

Balancing these factors and recognizing that the parties' needs must be addressed in order to successfully conclude negotiations utilizing the process of fact-finding, the undersigned makes the following recommendations. In year one of the contract, it is recommended that the Dispatchers receive a 3.0% wage increase across the board. This represents an effort to keep faith with the collective bargaining history as well as the internal comparables noted above. In year two of the contract, the undersigned recommends a 2.8% increase for the Dispatchers. This represents a transitional period from the expected 3.0% wage increases of the past and the need to reign in expenditures. The third and final year of the contract it is recommended that the Dispatchers receive a 2.5% wage increase for Dispatcher's. This wage increase in the third year addresses the employer's concern to get to 2.5% on the wage scale.

One final matter must be addressed. Unlike municipalities, government entities and other public employers who have no unencumbered reserves or whose mere existence is

³ It must be noted that the unrepresented City employees have no bargaining leverage as it relates to the wage increases. Moreover, the 2.5% wage increases secured by the Fire Lieutenants does apply to the give and take of contract negotiations, to which the undersigned is not privy, and, therefore, the significance of the size of said increases must be tempered.

threatened by a lack of money, the City is not asserting an inability to finance the proposal. Rather, the City of Blue Ash is urging fiscal responsibility. There is a difference. Given the current economic climate and the uncertainty of the economy, the recommendations contained herein foster fiscal responsibility while providing a gradual transition to lowering the employees' expectations.

IV. Certification

The fact-finding report and recommendations are based upon the evidence and testimony presented to me at a fact-finding hearing conducted on December 15, 2008. Recommendations contained herein are developed in conformity with the criteria for a fact-finding found in Ohio Revised Code 4717(7)(a-f) in the associated administrative rules developed by SERB. Alternative agreements reached by the parties prior to the fact-finding hearing on December 15, 2008 are incorporated herein by reference as if fully re-written.



Daniel N. Kosanovich
Fact-Finder

V. Proof of Service

This fact-finding report was mailed to Kirk M. Wall, Esq., Dinsmore & Shohl LLP, 191 W. Nationwide Blvd., Suite 300, Columbus, OH 43215 and Ross Rader, Staff Representative, Fraternal Order of Police, Ohio Labor Council, Inc., 222 E. Town Street, Columbus OH 43215-4611 on January 9, 2009. This report was also electronically transmitted to the parties on January 9, 2009.



Daniel N. Kosanovich
Fact-Finder