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State of Ohio

State Employment Relations Board

In the Matter of Fact Finding	:	SERB Case Number: 12-MED-04-0378
	:	
Between:	:	
	:	
Dayton Metro Library,	:	
Dayton, Ohio	:	Date of Hearing: November 14, 2012
Employer	:	Date of Report: December 3, 2012
	:	
And:	:	
	:	
Dayton Metro Library Staff	:	Felicia Bernardini, Fact Finder
Association	:	
Union	:	

Fact Finder Report and Recommendation

Appearances:

For Dayton Metro Library

Robert W. Cross, Cross Management Consulting Services, Fact Finding Spokesperson
Daniel P. Ruggiero, Esq.
Cindi Chibis
Tim Kambitsch
David Slivken

For Dayton Metro Library Staff Association

Matt Stokely, Esq., Pickrel, Schaeffer & Ebeling, Co., LPA., Fact Finding Spokesperson
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Lori Rotterman
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Jared Baldwin
Dave Hicks
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Introduction

Case Background

Felicia Bernardini was appointed by the State Employment Relations Board (SERB) on September 19, 2012, in compliance with Ohio Revised Code (ORC) Section 4117.14C(3), to serve as Fact Finder in the above referenced case. The case concerns a fact finding proceeding between the Dayton Metro Library (hereafter referred to as the “Employer” or “DML”) and the Dayton Metro Library Staff Association (hereafter referred to as the “Union” or “DMLSA” or “Association”).

Prior to the hearing, the parties engaged in contract negotiations on ten scheduled dates from April through July, 2012. The parties further engaged in mediation on August 1, 2012 with a SERB mediator. The negotiations were fruitful and resulted in tentative agreements (TA’s) on 50 contract articles. Proposals concerning ten articles remained unresolved. The current contract expired on June 30, 2012. After an initial contact with the parties, a hearing was scheduled for November 14, 2012. Both parties timely filed the required pre-hearing statements.

The day of the hearing, the Fact Finder proposed mediation of the outstanding issues prior to moving to the evidentiary hearing. The parties accepted the offer to mediate. With the assistance of the Fact Finder the parties signed TAs on an additional six articles. The parties proceeded to hearing with four remaining open articles.

Robert Cross, represented the Employer.

Matt Stokely, represented the Union.

Issues

The remaining open issues addressed by both parties at the hearing are as follows:

Article 21: Hours of Work

Article 36: Rates of Compensation

Article 42: Fringe Benefits

Article 56: Longevity

General Background Information

The Dayton Metro Library is a county-wide, full-service library system with a Main Library in downtown Dayton and 20 branch libraries throughout the service area. The Library is funded by a combination of State funds; a local operating levy, passed in 2009; and various grants, fees and gifts.

On November 6, 2012, a Library capital improvement levy was passed by the electorate. There is one bargaining unit of approximately 244 employees. Unit members serve in a wide variety of jobs within the library system. These jobs range from professional librarians who oversee specialized library collections and reference assistance, to staff members who provide circulation desk assistance and facilities upkeep.

Positions, Discussion and Recommendations

At the hearing the parties agreed to present each unresolved proposal in numeric order based upon the number of the contract article. Therefore the format of this report will follow the same progression. On an issue-by-issue basis, the position of each party is briefly summarized, position summaries are followed by a brief analysis and discussion, which is followed by the recommendation of the Fact Finder.

In analyzing the positions of the parties and making recommendations the Fact Finder is guided by available, relevant evidence and the criteria set forth in ORC 4117.14(G)(7)(a) to (f):

- (a). Past collective bargaining agreements, if any between the parties;
- (b). Comparison of the unresolved issues relative to the employees in the bargaining unit with those issues related to other public and private employees doing comparable work, giving consideration to factors peculiar to the area and classification involved;
- (c). The interests and welfare of the public, the ability of the public employer to finance and administer the issues proposed, and the effect of the adjustments on the normal standard of public service;
- (d). The lawful authority of the public employer;
- (e). Any stipulations of the parties;
- (f). Such other factors, not confined to those listed above, which are normally or traditionally taken into consideration in the determination of the issues submitted to mutually agreed-upon dispute settlement procedures in the public service or in private employment.

1. Article 21: Hours of Work

Employer Position

The Employer seeks to eliminate language within the Article that it perceives as limiting its flexibility in scheduling. The Library, in an effort to maximize services to the public while at the same time addressing a reduction in State revenue, has studied utilization data and determined that core service hours are 10:00AM to 7:00PM. Rather than continue with two shifts (A day shift and an evening shift) the Library has determined that a single shift covering core hours is the optimal staffing arrangement. When the Library sought to implement the change to a single shift, the Union asserted that bargaining unit employees are protected from being required to involuntarily work evening hours. In the mind of the Union, evening hours begin at 6:00PM. Therefore, shifting the ending time for daily work hours to 7:00PM violates existing contract language. Stymied by existing contract language, the Employer now seeks to eliminate the language and assert its management right to set the hours of operation, and require bargaining unit members to work the established hours. In addition, the Employer seeks changes to the contract's Sunday scheduling provision and the Sunday pay provision.

Union Position

The Union seeks to maintain its current language. The Union argues that the language is long-standing and provides minimal, and yet, important rights to unit members. The key provision that the Employer seeks to eliminate, helps ensure that the lives of workers are not unduly disrupted with evening hours. Unit members have their own obligations outside of work, such as daycare and carpools, which would be disrupted if the hours of operation changed.

Discussion and Recommendation

As the Union points out, the current contract language is long-standing, perhaps as long as 20 years. Generally, fact finders are deferential to the status quo and give considerable weight to the bargaining history of the parties. It is also true however, that all things change and what was once operationally feasible may no longer meet the needs of the enterprise. It is not difficult to accept the Employer's position (supported by survey feedback and data) that the needs of the public have changed. Today there is a greater need for more evening programming and service hours – PM-hours have greater utility than AM-hours. It is a fundamental management right for the Employer to set the hours of operation. However, to effectively exercise that right, the Employer must further have

the ability to actually schedule employees to work those hours without running afoul of scheduling limitations that are rooted in a bygone era. In this matter, the Fact Finder gives greater weight to the statutory criteria that pertain to the welfare of the public and the standard of public services, than to the bargaining history of the parties. It was made clear during the hearing that bargaining unit members are already working to 6:00PM and that the Employer is seeking to move the end of the standard work day by one hour, to 7:00PM. This is a small shift in hours, but as the Union rightly points out, such a shift can be disruptive in an employee's life. Therefore, the Fact Finder encourages the parties to come to the least disruptive implementation scheme as is possible. In addition, the parties have already settled several contract articles addressing the shift away from the accrual of compensatory time in favor of payment for extra hours worked. This being so, it is reasonable for the Fact Finder to align references to Sunday compensation in this contract article with the general move to paid time rather than compensatory time-off.

Recommendation

With consideration given to the welfare of the public and standards of public service, the Employer's proposal on Article 21 is adopted with a modification by the Fact Finder. Relevant contract provisions shall read in part as follows:

A. Normally, each full-time staff member works a five (5) day, forty (40) hour week. Evening and Saturday work may be required of any member of the staff. ~~Normally, no employee shall be scheduled involuntarily for more than two (2) evening a week or three (3) Saturdays a month except in emergency.~~ **Changes in the Library's hours of operation are an appropriate topic for discussion in the Labor/Management Committee. Through Labor/Management discussions, the parties will make every effort to implement changes in hours of work, in the least disruptive way for effected employees.**

B. Bargaining unit employees may volunteer to work on Sundays. ~~In developing Sunday schedules, bargaining unit volunteers/confidential employees will be given first priority over substitute and supervisory volunteers.~~ Management has the right to assign employees to Sunday work only in cases where no bargaining unit volunteers are available for the specific assignment or date in question. If management must assign Sunday hours, management shall first seek volunteers. ~~Substitutes and supervisors may be used to fill openings in a schedule that occur after the schedule has been initially developed and published in the Staff Newsletter.~~ Volunteers might not be scheduled for Sunday work as often as they request.

C. No change to existing language.

D. All time worked on Sunday by bargaining unit staff shall be ~~paid compensated~~ at one and one-half (1.5) the employee's regular rate of ~~pay compensation~~. Premium pay for Sunday work may not be pyramided through the overtime provisions of Article 39.

E. – K. : No change to existing language.

2. Article 36: Rates of Compensation

Employer Position

The Employer seeks to change the compensation model by eliminating step increases and longevity bonuses. To offset the immediate effect of these structural changes in the compensation model, the Employer offers the following pay raises during the term of the contract.

1% retroactive to July 1, 2012.

1.5% effective January 1, 2013.

1% effective July 1, 2013.

1.5% effective January 1, 2014.

1% effective July 1, 2014.

1.5% effective January 1, 2015.

The Employer also offers a one-time lump sum payment of \$500 in the first pay period of December 2012.

The Employer makes the argument that over the long-run, across-the-board cost of living increases, along with 3% annual step increases for half of the bargaining unit and longevity bonuses for the other half of the bargaining unit, and double-digit healthcare inflation, is financially unsustainable for the Library. The Library's revenue base is shrinking. Over the past decade State financial support, which accounts for approximately 50% of the Library's revenue, has dropped by approximately 28%. Local levies cannot fully offset this loss. The revenue raised by local levies is driven by real estate values, which dropped significantly in the last market valuation performed in 2011. This property revaluation reduced the Library's revenue by \$1Million. In addition, Tangible Personal Property reimbursements will be eliminated in 2014, which will result in a loss of approximately \$500K during the term of this contract.

At 68.9% of the budget, staff salaries and benefits are by far the largest single expenditure in the operating budget. To create a sustainable budget, staff salaries and benefits must be kept to a reasonable growth rate of 3%. Assuming flat revenue projections going forward, and the Library's own salary and benefit proposals, expenses will outpace revenue resulting in the need to draw on the Library's \$6Million Sustainability Fund to balance the annual budget. The Sustainability Fund will just barely carry the Library through until 2018, if expenses grow at the Library's planned/projected rate. Beyond 2018 the Library would have to return to the voters for another levy. Given this

funding situation, the Union's proposal, which grows salaries and benefits at a faster rate, would exhaust the Sustainability Fund and leave the Library operating in the red by several Millions of dollars by 2018.

Union Position

The Union seeks to maintain the current compensation model which provides for annual step increases and longevity bonuses, and seeks the following across-the-board pay raises over the term of the contract.

2% retroactive to July 1, 2012.

2% effective July 1, 2013.

2% effective July 1, 2014.

The Union argues that both entry-level and top-level bargaining unit staff members at DML are paid below their peers in comparable libraries. In an analysis of SERB benchmark data, DML pays in the 80th percentile of average compensation. Furthermore, SERB comparison data reveals that DML employees pay more for their healthcare benefit than do employees in peer libraries. These higher costs for healthcare insurance put DMLSA members at a lower net income than the salary data shows. The Union also points out that cost of living increases have been below inflation since 2007, and step increases were forfeited three years consecutively. Together, these circumstances put DMLSA members far behind where they should be financially. The Union's sacrifices have helped to put Library expenses below Library receipts in three of the last four years. The resulting surplus funds have been diverted out of the operating budget and placed in a Sustainability Fund. This being the case, the Sustainability Fund should be used to return the bargaining unit to a better financial position. Furthermore, the Library has a capital improvement fund with a balance over \$11 Million and a newly passed capital improvement levy. While the Union recognizes the importance of capital projects, the Association was given to believe that passage of the new levy would "free-up" operating budget funds that had previously been earmarked for smaller capital expenditures – not building projects. Clearly, the Employer can afford raises and step increases for bargaining unit members over the term of this next three-year contract.

Discussion and Recommendation

Both parties have introduced much the same information and data concerning comparables from other libraries. Neither party has made the study of comparables the cornerstone of their

financial argument. The Union has not introduced salary comparables in order to argue for some form of market adjustment, rather simply to argue that in order to maintain its relative standing (for better or worse), step increases and cost of living increases are warranted. The Employer's use of comparable data primarily serves the purpose of suggesting that the "plight" of unit members is not all that bad. The Fact Finder has accepted into the record, and read all of the exhibits pertaining to comparables. The information is not particularly instructive, however it does provide a helpful benchmark for comparing general wage settlements and healthcare coinsurance structures. For the most part, there are too few data elements to make reliable inferences and much of the data is retrospective rather than prospective. Furthermore, there is an insufficient foundation for determining which libraries are truly comparable to DML. For example, is the Cleveland Public Library with three times the total expenditures per capita than that of DML, a reasonable comparable?

With respect to budget data, here the parties have made a thorough and helpful presentation. Among the most helpful aspects of the financial presentation is that the parties are not in dispute over the numbers. In the course of the fact finding hearing, the Union acknowledged that it generally accepts as accurate the Employer's data and graphic depictions of revenue and expenditures. This being the case, the Fact Finder too accepts the Employer's detailed financial presentation as accurate and reliable. The Library has experienced a reduction in its intergovernmental funding both in the Public Library Fund and the Tangible Personal Property reimbursement. Offsetting these losses are the 2009 operating levy (reduced somewhat by the reduction in property values), and wage concessions by the Union. The Library has a \$6Million balance in its Sustainability Fund (i.e., Rainy Day Fund) and over \$11Million in its capital fund, at least a portion of which is revenue from the 2009 operating levy – earmarked for capital improvements to fulfill a levy campaign promise. Additionally, voters recently approved a capital improvement levy to fund a system-wide building project. As of this particular set of contract negotiations, the Library is not without financial resources.

Where the parties differ in their financial arguments, is in where they place the financial horizon. The Employer places the horizon at 2018, the earliest reasonable date to ask voters to renew the operating levy. For the Employer, the growth rate of expenses must be reined-in to better match revenue, which it assumes will be flat. Thus, the Sustainability Fund must be used sparingly to stretch until at least 2018. The Union places the horizon at 2015, the end of the next three-year

contract. For the Union, the time to act is when funds are available and within reach. Beyond the terms of a three-year contract, there is no promise of anything.

In fact finding, the statutory criteria concerning the Employer's ability to pay is typically understood to pertain to the here-and-now – the term of the contract that is in dispute. However, the ability to pay must be considered in the greater context of revenue trends and expenditures. In balancing the two perspectives, fact finders can neither bankrupt a jurisdiction in favor of the present, nor sacrifice present realities to solve possible future funding challenges, which are always with us in the public sector. Furthermore, in fact finding, for a Fact Finder to adopt a financial proposal that represents a seismic shift in the status quo, there ought to be a seismic shift in the parties' bargaining landscape precipitating the proposal. In the case of the Dayton Metro Library, there does not appear to be any such seismic shift in the landscape. When it comes to making a wholesale change in the compensation model, what the parties can do for themselves through negotiations, the Fact Finder is better off not doing with the pen. Currently, the Library is reasonably well funded. Looking forward, beyond the three-year horizon of this contract, if financial challenges materialize they can reasonably be addressed by the parties at the next negotiations. Through its past dealings with the Employer, the Union has demonstrated a willingness to share in belt-tightening initiatives when circumstances warrant it. Therefore, following some years of austerity (including the forfeiture of negotiated increases in compensation) it is reasonable to return to the compensation structure that represents the status quo.

Recommendation

With due consideration given to the bargaining history of the parties and the Employer's ability to pay, the Fact Finder rejects the Employer's proposal and adopts the Union's proposal to maintain the current contract language. The wage settlement shall be:

Retroactive to July 1, 2012 all rates of pay shall increase 2%.

July 1, 2013 all rates of pay shall increase 2%.

July 1, 2014 all rates of pay shall increase 2%.

Relevant contract language shall read in part as follows:

A. Step Increments

Step increments of "A" through "K" shall be included. Each step above "A" is 3% higher than the previous step. Employees below step "k" receive step increments effective with the pay period that includes January 1. Employees who have completed two years at Step "K" will receive a 3% step increment (Step "L") with the pay period that includes January 1 of each year. ~~Steps will be frozen and no step increases will be granted January 1, 2012.~~

B. – F. No change to existing language.

G. Pay Increases.

Each year of this agreement, effective with the pay period that includes July 1, all bargaining unit members will receive a **2 percent (2%)** pay increase to their current rate of pay.

~~H. Lump Sum Payment~~– Delete this subsection.

I. – J. No change to existing language.

Appendix A to be modified accordingly.

3. Article 42: Fringe Benefits

Employer Position

The Employer proposes to reduce its share of the monthly healthcare insurance premium. Currently the Employer offers two plans: an HRA and an HSA. Of the two offered plans, the HRA has a higher monthly premium and a lower deductible. The Employer pays approximate 85% of the monthly premium for the HRA. Over 70% of enrollees participate in the HRA. The HSA is a lower-cost plan with a high deductible (currently \$5000 for single coverage and \$7000 for family coverage). The Employer pays approximately 92.5% of the HSA monthly premium. Going forward, the Employer proposes to pay a progressively lower percentage of the HSA premium: 90% in the first year of the contract, 85% in the second year, and 80% in the third year. The Employer proposes to cap its subsidy of the HRA monthly premium at the same dollar amount it pays for the HSA premium, thereby reducing the Library share of coinsurance on the HRA to approximately 77% in 2013, 72% in 2014, and 68% in 2015. With this proposal, the Employer hopes to create an incentive for enrollees to select the HSA plan rather than the HRA plan. Even with high-deductible plans, the Employer is facing a 16.8% increase in healthcare insurance costs in 2013 and a 16% increase in 2014. The increase for 2015 is yet unknown, but is projected to be in this same ballpark. With these skyrocketing healthcare costs, the Employer must find ways to reduce its current costs, including encouraging plan enrollees to become more responsible and informed healthcare consumers. The Employer points out that in the past ten years, the coinsurance arrangement has actually shifted in the Union's favor going from a 25%/75% split between employees and the Library, to today's percentages of 15%/85% for the HRA and 7.5%/92.5 for the HSA. As for actual monthly dollar

amounts, bargaining unit employees are paying less today than they did ten years ago. Over the same ten years, employees have improved their wages with step increases and pay raises.

Union Position

The Union seeks to maintain the current contract language, maintaining the status quo on coinsurance splits for both the HSA and the HRA. They also seek to establish that coinsurance splits for dental and vision insurance will mirror those that enrollees pay for the selected healthcare plan, or simply be 15%/85% (employee/employer) if the member selects dental and vision coverage without enrolling in a healthcare plan. Further, the Union seeks to include in the contract the Employer's current practice of funding HSA accounts at \$500 for single plan coverage and \$1000 for family plan coverage. The Union argues that its members' healthcare costs for high-deductible plans are the same as, or more, than their counterparts' costs in other library systems. While other library systems may have similar coinsurance arrangements as does DML, out-of-pocket expenses for DMLSA members are higher due to the high deductibles for both the HRA and the HSA – at DML, there is no traditional healthcare plan option. The Union further argues that the Employer's proposal places the cost of healthcare inflation on enrollees and at the same time shifts additional plan costs to employees. With the Employer's proposal enrollees will typically experience a doubling of healthcare premium costs in each year of the three-year contract. A 300% increase in monthly healthcare costs over the term of the contract, coupled with \$5000-\$7000 in out-of-pocket expenses, is unaffordable for bargaining unit members.

Discussion and Recommendation

With any health insurance plan the plan sponsor and enrollees are partners in controlling costs. Actual claim experience along with risk pool demographics are two critical factors impacting plan costs. Both of these factors are driven by enrollee behavior. Healthy lifestyle choices (*e.g.*, smoking cessation, weight management, exercise) and thoughtful healthcare utilization choices (*e.g.*, preventative services, proactive disease management) are in the hands of plan enrollees. There are also cost factors that are out of the hands of either the plan sponsor or the plan enrollees, such as the nature of the local healthcare marketplace and the degree of competition among healthcare providers. During the proposed term of this contract, the nation will experience further implementation of the Affordable Care Act. The introduction of healthcare exchanges may change the local healthcare market for the better and help reign-in future costs for the Library. The complex

interplay of all of these factors makes health insurance management a significant challenge, and one that is ultimately best met with a cooperative approach and recognition of shared responsibility.

Using the data provided by the Employer, the Fact Finder has spent considerable time studying the rising costs of the healthcare plans and the impact of shifting the coinsurance structure. Because of the complex nature of healthcare plans, true comparables are almost impossible to determine. Data from a cross-section of employers, like that found in the SERB Report, is most effective in simply determining current trends in coinsurance structures and plan types. Comparing actual costs for plan sponsors and plan enrollees is impossible. The Fact Finder's calculations and analysis suggest that the Employer's proposal will shift too much of the cost to plan enrollees, whereas the Union's proposal would over-insulate plan enrollees from the true cost of their healthcare and shift too much of the cost to the Employer. Thus, the Fact Finder is left to fashion a middle proposal that reduces the Employer's share of the monthly premium and yet does not raise the enrollee's monthly costs precipitously or to an ultimately unaffordable level. With the Fact Finder's recommendation the Employer will save several \$100,000 from the Union's proposed status quo, and unit members' costs will increase while remaining at an affordable level, given that average compensation will increase under the other recommendations in this Report. The Fact Finder also, recognizes the importance of keeping the lines of communication open between the parties in order to tackle cost trend issues together, and further acknowledges agreement among the parties to address wellness programs and coverage for domestic partners.

Recommendation

With consideration given to the bargaining history of the parties and the Employer's ability to pay, the Fact Finder rejects the Employer's proposal to cap contributions to the HRA at a flat dollar amount; accepts the Union's proposal to retain true coinsurance structures for both the HRA and the HSA, but rejects the Union's proposal to maintain the current coinsurance split. The Fact Finder further adopts the language changes throughout the Article that are mutually proposed by the parties. The relevant contract language shall read in part as follows:

A. – B. No change to existing contract language.

C. Group health insurance including hospitalization coverage, surgical coverage, prescription drug coverage, dental coverage, and vision coverage shall be provided to employees under the terms and contribution levels listed below.

Effective January 1, 2013, and for the term of the contract, the Library will pay 85% of monthly premiums toward a single or family vision, dental and HSA health plan for

eligible full-time employees; and 80% of monthly premiums toward a single or family vision, dental and HRA health plan for eligible full-time employees.

The Library will fund HSA participant's accounts \$1000 per year for those on the family plan and \$500 per year for those on the single plan.

Subsections: 1-3 No change to existing language.

4. Effective January 1, 2013, the Library will provide insurance coverage for domestic partners, as defined by the insurance carrier(s), when such coverage is made available by the chosen carrier(s).

5. Health insurance plan design, benefit structure, cost containment and other such matters are appropriate topics for discussion in the Labor/Management Committee. The Union and Library shall make every effort to adopt and maintain a cooperative approach in addressing health insurance-related issues.

D. – I. No change to existing contract language.

~~J. Premium Voucher: Delete this section.~~

K. Coverage Buy-Out

In lieu of participating in the Library's group health insurance plan the Employer will offer coverage buy-out in an amount equal to up to twenty-five percent (25%) of the full premium amount for a single or family plan. To be eligible for the coverage buy-out employees must provide the Library proof of coverage under an alternate insurance plan. If an employee has a qualifying event that causes loss of coverage elsewhere he/she may enroll under the Library's plan. Employees who are eligible for coverage for less than the full plan year will have their payment prorated to the number of months of eligibility. January 1 to December 31 will establish the plan year for buy-out payments. ~~Employees must be actively employed on July 1, 2011 and currently enrolled in the Library's health, dental and/or vision plan to be eligible for the buy-out.~~

Employees participating in the coverage buy-out program on the date of this agreement will retain eligibility for the buy-out program. In addition, individuals actively employed on July 1, 2012 and currently enrolled in the Library's health, dental and/or vision plan who provide proof of alternate coverage will become eligible for the buy-out program.

L. No change to existing language.

M. Wellness Incentive

The Library may offer reduced premiums, premium rebates, increased HSA/HRA contributions or other financial incentives for employees who participate in certain wellness-related programs. The Wellness Committee is charged with making criteria recommendations to the LMC. The LMC is charged with making criteria recommendations to the Executive Director for consideration and for the Executive Director's approval.

4. Article 56: Longevity

Union Position

The Union seeks to retain the current contract language; restart the annual payment of longevity bonuses, which had been forfeited in the prior contract; and raise the longevity bonus amounts by 3%. The Union argues that longevity bonuses are a critical compensation element for its members. Approximately half of the unit membership is stepped-out and without the longevity bonus they would receive only the across-the-board pay raise that is negotiated for all. The longevity bonus recognizes tenure and rewards loyalty to the Library.

Employer Position

The Employer proposes to eliminate the longevity bonus. The Employer argues that the current compensation structure is unsustainable over the long term. Paying a bonus to employees simply for completing a year of employment is an expense that the Library cannot afford. With reduced resources from the State, and local taxpayers paying for an ever-increasing percentage of Library expenses, it is no longer reasonable to ask taxpayers to support a benefit that is outside the mainstream of private sector compensation models.

Discussion and Recommendation

As with the other financial proposals in this contract negotiation, the Fact Finder recognizes the Employer's need to rein-in costs, and yet is unwilling to gut a compensation model that was negotiated by the parties at some point in the past. To do so would be to act without regard for the tradeoffs and considerations recognized in those prior negotiations. That said, the marginal benefit to unit members of increasing longevity bonuses by 3% is miniscule at best; however, for the Employer small increases compound over time and add to the escalating rate of personnel costs. The evidentiary record offers no compelling reason to raise longevity bonus rates during the term of this three-year contract.

Recommendation

In deference to the bargaining history of the parties and the Employer's ability to pay, the Fact Finder rejects the Employer's proposal to eliminate Article 56 and accepts the Union's proposal

to maintain the existing contract language, but rejects the Union’s proposal to raise the bonus rates. Relevant language shall read in part as follows:

A. – C. No change to existing contract language.

Delete the old chart and insert this new chart

<u>Years of Service</u>	
<u>10 through 14</u>	<u>\$281.00</u>
<u>15 through 19</u>	<u>\$505.00</u>
<u>20 through 24</u>	<u>\$731.00</u>
<u>25 and over</u>	<u>\$900.00</u>

D. – F. No change to existing contract language.

~~All parties agree that longevity payments are suspended for January 2012.~~

Conclusion

In this report I have attempted to make reasonable recommendations that both parties will find acceptable. If errors are discovered or if the parties believe they can improve upon the recommendations, the parties by mutual agreement may adopt alternative language.

After giving due consideration to the positions and arguments of the parties and to the criteria enumerated in ORC 4117.14(G)(7)(a) to (f) the Fact Finder recommends the provisions as enumerated herein. In addition, all tentative agreements (TAs) previously reached by the parties along with all sections of the current Agreement not negotiated and/or changed, are incorporated by reference into this Fact Finding Report and should be included in the resulting collective bargaining agreement.

Respectfully submitted and issued at Columbus, Ohio this 3rd day of December 2012.



Felicia Bernardini,
Fact Finder

CERTIFICATE OF SERVICE

The undersigned certifies that a true copy of this Fact Finder Report was sent by e-mail and First Class USPS Mail on December 3, 2012 to:

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