

OHIO STATE EMPLOYMENT RELATIONS BOARD

Ohio Patrolmen’s Benevolent Association)	Case No. 2013-MED-10-1333
)	
)	
Union)	Fact-Finder
)	Judge Burt W. Griffin
and)	
)	<u>Fact-Finder’s Recommendations</u>
City of Tiffin, Ohio)	<u>And Findings</u>
)	
Employer)	

Background

The fact-finder was appointed in this matter by Donald M. Collins, general counsel for the State Employment Relations Board, by letter dated December 13, 2013. By agreement of the parties, the fact-finding hearing was held at the Tiffin City Hall on Monday, January 13, 2014.

Among those present at the hearing were Jonathan J. Winters, counsel for the Union; Connie Vassalle and Rich Clause, members of the Union; Thomas D. Rooney, counsel for the City of Tiffin (hereafter sometimes “the City”); Mayor Aaron D. Montz, Director of Finance, Gwynn A.Reinhart; and Police Chief Frederick W. Stevens.

The collective bargaining agreement being negotiated covers a bargaining unit of seven police dispatchers (referred to in the CBA as “Communication Technicians”). The period of coverage is January 1, 2014 through December 31, 2016. The parties have reached agreement on all issues except wage rates under Article 23, Section 1 of the proposed CBA.

The City has proposed a three percent (3%) per year wage increase beginning on January 1

of each contract year. That increase is the same percentage as already agreed to for the same time period in collective bargaining agreements covering police patrol officers, sergeants, and lieutenants and employees in the Department of Public Works, Department of Water Pollution, and the Department of Parks and Recreation.

For the dispatchers, the Union seeks five percent (5%) per year wage rate increases beginning on January 1 of 2014 and 2015 and a four percent (4%) further increase beginning on January 1, 2016.

The City is currently engaged in contract negotiations with the International Association of Fire Fighters for the same time period. The City has proposed three percent (3%) annual increases to that union, but agreement had not been reached on that issue.

The City's Position. The City's position in the present dispute is simply stated. The City believes that a three percent (3%) annual increase is the proper increase to be given to all non-elected employees. In negotiations with AFSCME and OPBA for other employees, the City said that it would not agree to more than a 3% annual increase in negotiations with respect to police dispatchers and fire fighters.

The City agrees that wage rates for dispatchers are substantially less than for dispatchers employed by comparable cities in the region. The City's primary reason for rejecting the Union's proposal is that the City believes that all unelected employees should receive annual increases of the same percentage. Although the City has provided evidence that its financial future is uncertain, it has not suggested that the increases requested by the Union would prevent it from meeting future obligations. The City agrees that the three year difference in cost--\$36,222--between its wage proposal and the Union's request is minimal when considered in light of the

City's nearly \$9,000,000 annual expenditures, its recent general fund revenues which exceed \$10,000,000, and its general fund carry-forward balance.

The concerns for the City are that 5% and 4% wage increases would bring pressure to extend those increases to all 121 of the City's employees, would diminish the City's credibility in light of its promise to OPBA and AFSCME not to accept more than a 3% annual hourly wage increase in negotiations with other bargaining units, and would undermine the City's bargaining power in the pending negotiations with the firefighters' union..

The Union's Position. The Union's reasons for seeking a higher percentage rate are that the beginning hourly rate for dispatchers in Tiffin is the lowest in comparable cities, the hourly rate for the most senior dispatchers is the second lowest in the region, and the overall mean and median rates in comparable cities in the region are more than \$1.00 per hour higher for beginning dispatchers and over \$2.50 higher for the most senior dispatchers. In short, the Union is seeking to bring the hourly rate for dispatchers in Tiffin closer to what it believes is the market rate in the region.

Findings of Fact. According to the 2010 census, Tiffin, having 17,828 residents, is the largest municipality in the region. Norwalk's population is 16,931 and Fremont's 16,564. Fostoria follows with 13,282 and Bucyrus with 12,092. The remaining towns with which the Union makes comparison are Bellevue with 8,133 residents, Clyde 6,297, and Willard 6,180. Tiffin, however, has the lowest annual household income—\$34,582. Norwalk's is \$43,567, Fremont \$38,907, and Fostoria \$36,441. Tiffin's municipal budget—\$8,803, 139—was the highest in 2012 and its income tax rate of 1.75% was the second highest. All other cities except Fostoria,

at 2%, had rates of 1.5% or lower. Thus, Tiffin could be said to have less ability than other cities to meet its obligations through higher taxes.

Tiffin faced serious budget problems during the recent recession. It's municipal employees helped the City meet its financial obligations by sustaining wage reductions. Hourly workers experienced a 2.5 hour per week reduction in hours assigned and, thus, a corresponding weekly reduction in earnings. In 2011, the hourly work was restored to 40 hours per week. Except for dispatchers, no hourly rate increase was granted from 2008 through 2013.

In 2012, the City granted dispatchers a 50 cent hourly wage increase. In 2012 Tiffin hired two dispatchers and in 2013 another. The fact-finder infers that the 50 cent per hour wage increase for dispatchers in 2012 in the context of new hires may indicate the City's recognition that its wage for dispatchers was not competitive.

The fact-finder has reviewed the municipal income and expense data provided by both the City and the Union. None of that data demonstrates an inability of the City to pay the additional \$36,222 in wage benefits that would have been sustained by the City if the Union's requested pay increases were awarded only to the dispatchers.

Moreover, the facts clearly show that the hourly wage rate for dispatchers in Tiffin is substantially less than that in other comparable communities. What is unclear, however, is the extent to which other benefits related to working conditions and income for Tiffin's dispatchers close the gap in wage rates. For example, Tiffin's dispatchers receive two paid 15 minute breaks per shift, paid lunch periods, longevity pay, educational benefits, and certain premiums when performing certain functions. Neither the City nor the Union has presented evidence of what amounts those benefits constitute either in other communities or in Tiffin. Nor is there any

comparison of gross income between dispatchers in Tiffin and dispatchers in the comparable communities.

Notwithstanding the absence of such evidence, the fact-finder is satisfied that a meaningful wage differential does exist between dispatchers in Tiffin and dispatchers in other comparable communities. The differences in hourly rates is so great that, given the City's own decision to grant a 50 cent per hour increase in 2012 under strained financial circumstances, the fact-finder is persuaded that fairness to the dispatchers requires the City to narrow the gap in hourly rates.

The fact-finder is also persuaded that the City's fear that its promise to AFSCME and OPBA not to agree to wage rate increases greater than 3% per year is grounded in fact and good judgment.

The initial question for the fact-finder, therefore, is whether both the interests of pay equity for dispatchers and the interest of the City in adhering to a 3% per year rate increase can be satisfied without causing damage to the City's financial structure and its negotiating credibility. The fact-finder believes that both interests can be satisfied.

Recommendation. The fact-finder recommends, first, that all dispatchers be granted a 3.5 cent per hour pay increase in 2014 over their hourly rate for 2013. This would constitute a base rate of \$12.83 per hour for first year dispatchers, \$13.89 for second year; \$14.99 for third year, \$16.04 for the fourth year, and \$16.81 for fifth year. That wage rate increase is an attempt to redress the glaring wage rate inequity that exists between dispatchers in Tiffin and those in comparable communities. The differential at all wage levels in Tiffin is currently more than \$1.00 per hour.

This 35 cents per hour increase would not close the apparent gap in wage rates. The exact amount of the gap is uncertain. Absent evidence from either the City or the Union, the existing gap between Tiffin and the lowest paying city for beginning dispatchers is clearly more than 35 cents per hour. The gap between the most senior Tiffin dispatcher and the median pay of senior dispatchers in other cities is also clearly more than 35 cents per hour.

The fact-finder further recommends that a 3% per hour wage rate increase be granted in 2014 on top of the adjusted base rates that have just been recommended as equity adjustments in the previous paragraphs. Thus, in 2014 the hourly rate for first year dispatchers would be \$13.21; in 2015, 13.61; and in 2016, 14.02. For second year dispatchers, the hourly rate in 2014 would be \$14.37; in 2015, \$14.74; and in 2016, \$15.18. The rate in 2014 for third year dispatchers would be \$15.44; in 2015, \$15.90; and in 2016, \$16.38. For fourth year dispatchers, the hourly rate in 2014 would be \$16.52; in 2015, \$17.02; and in 2016, \$17.53. For fifth year dispatchers, the hourly rate in 2014 would be \$17.31; in 2015, \$17.83; and in 2016, \$18.36.

Under the recommended approach, all dispatchers would receive higher hourly pay in 2014 than even requested by the Union. However, in 2015, the dispatchers would get less than requested but more than offered by the City. In 2016, the wage rate would be even closer to that offered by the City--about half way between what the City's offer and the Union's request.

The net result of this recommendation is that the City does not abandon its policy of granting pay adjustments of only 3% per year but retains the right to make base line adjustments for certain job categories where the evidence clearly demonstrates that employee wage rates are so far below the market rate as not to be competitive or fair as judged by practices in the competitive labor market. At the same time, the Union achieves--at least in part--its goal of

narrowing the gap between wages paid dispatchers in Tiffin and wages paid dispatchers in competitive communities.

\s\Burt W. Griffin

Fact-Finder

January 15, 2013

Certificate of Service

A copy of the foregoing findings of fact, recommendations, and reasons was sent [this 15th day of January, 2014](#), by E-mail to Jonathan J. Winters, Esq., jwinters@allottafarley.com; to Thomas D. Rooney, Esq, [trooney@ laborlawyers.com](mailto:trooney@laborlawyers.com); and to the State Employment Relations Board, Med@serb.state.oh.us, .

\s\Burt W. Griffin