

**FACT FINDING REPORT
STATE OF OHIO
STATE EMPLOYMENT RELATIONS BOARD
September 17, 2014**

In the Matter of:

AFSCME OHIO COUNCIL 8,
Local 2895

CASE NO.: 2014-MED-03-0403

and

WILLIAMS COUNTY DEPARTMENT OF
JOB & FAMILY SERVICES

REPORT AND RECOMMENDATIONS OF FACT-FINDER

Jane Minnich, Esq.

APPEARANCES

For the Employer:

Fred Lord, Account Manager
Pamela Johnson, Director
Laura Brady, HR Officer
Dennis McKay, Financial Consultant

For the Union:

Dawn Bailey, Staff Rep.
Tracy Rupp, Treasurer

INTRODUCTION

The undersigned, Jane Minnich, Esq. was duly appointed by SERB by letter dated July 2, 2014 to serve as Fact Finding in the matter of AFSCME Ohio Council 8, Local 2895 (hereafter referred to as the “Union”) and Williams County Department of Job & Family Services (hereafter referred to as the “Employer) pursuant to OAC 4117-9-5(D). The parties agreed to extend the deadline for the Fact Finder’s Report until September 17, 2014. The hearing was held at the Williams County East Annex Building in Bryan, Ohio on August 20, 2014. The Union was represented by Dawn M. Bailey, Staff Representative; and the Employer was represented by Fred Lord, Clemons, Nelson & Associates, Inc. Account Manager. After engaging in negotiations, the parties agreed to submit the outstanding issues to the Fact-Finder based upon the documentary evidence submitted by the parties and discussions had during the course of the day. The parties agreed to waive service of the Fact-Finder’s report via overnight delivery and agreed upon service via email.

FACTUAL BACKGROUND

The Employer, Williams County Department of Job and Family Services (JFS), administers a county-wide income maintenance program, public employment and training services, and child support enforcement program. Williams County is located in northwestern Ohio, with a population of approximately 37,000. AFSCME Ohio Council 8, Local 2895 represents approximately 36 full-time bargaining unit members in the classifications of Child Support Case Manager, Clerical Specialist 3, Clerical Specialist 4, Eligibility Referral Specialist 2, Labor Crew Leader, Legal Specialist, Social Services Worker 2, Telephone Operator and Unit Support Worker 2. The bargaining unit was first certified on January 11, 2013, with the first collective bargaining agreement effective through June 30, 2016.

This matter comes on for fact-finding under the terms of the current collective bargaining agreement providing for a wage rate reopener. The applicable provision is Article 34.2, which reads as follows:

Section 34.2 Either party may reopen this article by providing written notice to the other party no earlier than ninety (90) calendar days prior to June 30, 2014, nor later than sixty (60) calendar days prior to June 30, 2014, for the sole purpose of conducting negotiations on wage rates to be effective on or after July 1, 2014.

The parties began wage reopener negotiations on June 2, 2014. After two sessions, negotiations ended on June 16, 2014, with the Employer issuing a statement of no movement and offering proceeding to Fact Finding.

Based upon the considerations enumerated in Ohio Revised Code §4117.14 including a comparison of the issues submitted relative to other public employees doing comparable work, the interests and welfare of the public, the ability of the Employer to finance and administer the issues proposed, the effect of the adjustments on the normal standard of public service, the lawful authority of the Employer, other factors traditionally considered in the determination of issues submitted, and the representations of the parties during discussions, the Fact-Finder makes the following recommendations.

ISSUES

ARTICLE 34 – WAGES

Union position: During negotiations, the Union initially proposed a 3% base wage increase. This written proposal was followed by a verbal proposal of a 2% base wage increase, which was made during the final negotiation session on June 16, 2014. The Union opposes increasing the minimum and maximum pay rates on the Wage Scale.

It is pointed out that unlike the Union, the Employer has not moved from its original proposal offered when negotiations opened on June 2, 2014. While the Union understands that increasing the overall wage scale may be advantageous for acquiring new employees, it asserts that most current employees would not be affected by the increase. Moreover, it argues that the increased minimum rate would result in an inequitable pay structure, with new hires earning wages similar to that earned by longer term employees.

Employees have worked for six years without an actual base wage increase and four years without a step increase. It is asserted that the requested increase is warranted as shown in the Union's comparables.

Employer position: The Employer proposes a 2% lump sum payment to each bargaining unit employee, along with an increase in the minimum and maximum pay rates on the Wage Scale.

In support of this proposal, the Employer points to financial difficulties and an uncertain financial future. With the agency only partially funded through the County's general fund, it is dependent upon state and federal funds for JFS salaries. As a result, in November of 2012, the Agency began making structural changes in order to improve service delivery to clients; better utilize federal and

state money; improve the pay structure of employees in order to become more competitive; and to ensure continued compliance with ODJFS rules and regulations.

While progress has been made, the changes are not complete. The Employer believes that this is not the time to deviate from the restructuring plan or increase expenditures. Consistent with the plan, the County proposes an increase in the minimum and maximum pay rates on the pay scale in order to become more competitive. It maintains that its proposed 2% lump sum payment to each bargaining unit member would be at significant less cost than the Union's wage proposal. According to the County, its proposed wages and increases are comparable with that negotiated by other SERB region employees.

Discussion: At issue in this wage re-opener are two proposed changes to the wage scale, (1) an increase in the minimum and maximum pay rates and (2) a wage increase as either a base wage increase or a lump sum payment to each bargaining unit member.

The parties obviously have differing positions on both proposed changes. The Union believes that an increase in the maximum and minimum pay rates will result in an inequitable pay structure. It further asserts that a base wage increase of 2% represents a fair and adequate wage increase. The Employer counters that the increase in the maximum and minimum pay rates is necessary in order to competitively attract new employees; and that a 2% lump sum payment is the most it can afford at this time of financial transition and uncertainty.

After a careful consideration of all of the evidence presented at the hearing as well as the parties' representations during discussions, the Employer's requested increase in the maximum and minimum pay rates is not recommended. While the Employer sites to the need to competitively attract applicants, it did not provide any evidence that filling positions, or the quality of applicants or the current workforce have posed problems for the agency. In contrast, the Union maintains that although the proposed increases would be advantageous to new hires, they would not benefit current employees. Moreover, discussions indicated that the resulting wages paid to new employees would be perceived as unfair to existing employees, who would be earning close to the same amount. After carefully considering the current pay scale, the evidence submitted, and discussions that occurred during the fact-finding hearing, it is concluded that the resulting inequity in the pay scale structure would more than offset any perceived advantage in hiring new employees. The increase in the minimum and maximum wage rates is therefore not recommended.

With regard to the increase in wages, the parties are not far apart in their proposals. Both parties recognize the need to increase wages. The Employer seeks to do so with a lump sum payment as a means of controlling the costs associated with the measure. In contrast, the Union seeks a base wage increase as

CERTIFICATE OF SERVICE

The foregoing Report was delivered via email this 17th day of September, 2014 to Dawn M. Bailey, Union Representative and Fred Lord of Clemons, Nelson & Associates.



Jane Minnich, Fact-Finder

the appropriate means of increasing the compensation of bargaining unit members. Nevertheless, in recognizing the Employer's financial realities of an expected operating deficit, it reduced its initial proposal of a 3% base wage increase to a 2% base wage increase.

The Union points out that bargaining unit members have gone six years without a base wage increase. The submitted documentation indicates that their current wages are below the average wage provided for in other JFS contracts with under fifty bargaining unit members. While the County is weathering a difficult financial situation, its current restructuring efforts are resulting in additional state and federal funding. In consideration of all of these factors, a wage increase of 1½% is recommended effective July 1, 2014.

Date: September 17, 2014


Jane Minnich, Esq., Fact-Finder