

FACT-FINIDNG REPORT

STATE EMPLOYMENT RELATIONS BOARD

STATE OF OHIO

April 27, 2018

In the Matter of:

City of Garfield Heights)	
)	
and)	Case No. 2017-MED-10-1250
)	Wage Re-Opener for 2018
American Federation of State, County)	
and Municipal Employees, Ohio Council 8,)	
Local 2729)	

APPEARANCES

For the City:

Timothy J. Riley, Law Director
Jeffrey M. Jerome, Staff Attorney
Vic Collova, Mayor
Barbara Biro, Finance Director

For the Union:

Mark R. Davis, AFSCME, Council 8
Bill Butterfield, President
Bonnie Hackett, Animal Warden
Scott Stohlman, Driver

Factfinder:

Nels E. Nelson

BACKGROUND

The instant dispute involves the City of Garfield Heights and American Federation of State, County and Municipal Employees, Ohio Council 8, Local 2729. The city has a population of 28,849 and consists of 7.29 square miles. The union represents 32 full-time and part-time employees in the Service Department and the administrative/clerical area.

The dispute involves a re-opener for wages to be effective January 1, 2018, under the parties' January 1, 2016 - December 31, 2018, collective bargaining agreement. The parties negotiated on February 6, 2018. Following the negotiating session, the union membership rejected the city's final offer.

The union appealed the dispute to fact-finding. The Factfinder was notified of his appointment on February 27, 2018. The hearing was held on April 20, 2018. At that point, the city offered a wage increase of 2% or, at the discretion of the employee, a \$.46 per hour wage increase. The union demanded a 4% increase for all bargaining unit members. When the Factfinder's attempt to mediate the dispute was unsuccessful, this report was prepared.

The recommendations of the Factfinder are based upon the criteria set forth in Section 4117-9-05(K) of the Ohio Administrative Rules. They are:

- (a) Past collectively bargained 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 interest and welfare of the public, and 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) The stipulations of the parties;

(f) Such other factors, not confined to those listed in this section, which are normally or traditionally taken into consideration in the determination of issues submitted to mutually agreed upon dispute procedures in the public service or in private employment.

ISSUE

As indicated above, the sole issue is wages for 2018. At the conclusion of the hearing, the parties agreed that in order to expedite the resolution of the dispute, it was not necessary for the Factfinder to issue a report summarizing the arguments and evidence they presented or to provide a rationale for his recommendation. The Factfinder, however, believes that a brief discussion of the basis for his recommendation is necessary.

ANALYSIS

In factfinding there are a number of key criteria. First, the ability to pay is an important consideration. While the city was in fiscal emergency in the recent past, it has recovered from its difficulties and has a sufficient carry-over balance to pay a reasonable wage increase. Thus, the Factfinder will not further discuss the city's ability to pay.

Second, internal comparisons are an important factor in making a wage recommendation. In the instant case, the city relies on the 2% wage increase negotiated by the Fraternal Order of Police, Ohio Labor Council, for the Dispatchers/Records Clerks, Jailers, and Chief Dispatcher.

The Factfinder rejects the union's argument that little weight should be attached to the wage increase negotiated by the FOP because the regionalization of dispatching has reduced the bargaining unit to three employees. The FOP/OLC, however, represents many police employees, including dispatchers, and would vigorously represent the members of its bargaining unit despite its small size, especially given the competition between rival unions to represent such employees.

Third, the city also relies on the 2% wage increase granted to the non-union administrative/clerical employees. The Factfinder agrees with the union that that this settlement can be given only limited weight because it was not the result of negotiations but was determined by City Council. Despite this fact, the wage increase received by more than 40 city employees cannot be entirely ignored.

Fourth, while the wage increases of fire and police have outstripped AFSCME's increases, little weight can be attached to this fact. Fire and police wage adjustments have been set by a survey of wages in a number of cities.¹ Any increase in wages is covered by an automatic adjustment of the millage rate. This unique, or nearly unique, mechanism eliminates bargaining over fire and police wages. This process was adopted by an ordinance passed in the 1970s and is incorporated in Section 41 of the Garfield Heights Charter. Thus, fire and police wage increases have no impact on the General Fund. Furthermore, since the resulting fire and police wage increases reflect the selection of cities included in the survey, the resulting wage increases may not be consistent with wages generally being negotiated in Cuyahoga County or Ohio.

Fifth, the union submitted a spreadsheet in support of its claim that the cumulative wage increase of AFSCME-represented employees between 2010 and 2017 was substantially less than for other employees. The union's spreadsheet identifies six groups of employees -- fire, police, court, jail, non-union administrative/clerical employees, and the service and clerical employees represented by AFSCME. It shows that AFSCME employees generally have received smaller percentage wage increases than other employees. The Factfinder, however, can attach no weight to the spreadsheet submitted by the union. Barbara Biro, the Finance Director, testified that the

¹ the cities are Brookpark, Cleveland Heights, East Cleveland, Euclid, Fairview Park, Lakewood, Maple Heights, Parma, Shaker Heights, and South Euclid. (City Exhibit C, page 5)

data used in the union's analysis produced erroneous results. The union offered no response to Biro's testimony.

Sixth, an important criterion involves external comparisons, i.e., comparisons between the wages of employees in jurisdictions of similar size and neighboring jurisdictions. Unfortunately, neither side presented the wages for the service and clerical workers in comparable jurisdictions. The Factfinder's experience suggests that the wages of all but a handful of the AFSCME employees are likely to exceed the wages of employees doing similar work in comparable jurisdictions.

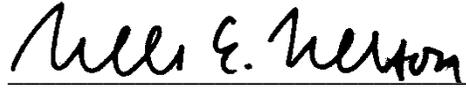
Finally, the Factfinder's recommendation is consistent with wage increases reported by the State Employment Relations Board's most recent Annual Wage Settlement Report. It indicates that in 2017 the average wage increase in the Cleveland Region was 2.15% and 2.16% in Ohio cities. The Factfinder's recommendation, which allows employees the option of a 2% wage increase or a \$.48 per hour increase, will likely result in a wage increase that exceeds the average increases reported by SERB because the option of a \$.48 per hour wage increase will produce larger percentage increases for the lower-paid members of the AFSCME bargaining unit.

Based on the consideration of these factors and the remaining statutory criteria and the arguments and evidence offered by the parties, the Factfinder recommends that effective January 1, 2018, employees be granted a 2% wage increase, or \$.48 per hour, at the employee's option. The 2% increase is the same increase received by the non-union administrative employees and the FOP-represented jailers. The employee option of a \$.48 per hour wage increase, reflects an attempt to raise the wages of a number of members of the AFSCME bargaining unit who receive lower wages than the rest of the unit.

RECOMMENDATION

The Factfinder recommends the following contract language:

Effective January 1, 2018, wages shall be increased 2% or, at the option of each employee, \$.48 cents per hour.



Nels E. Nelson
Factfinder

April 27, 2018
Russell Township
Geauga County, Ohio