

IN THE MATTER
OF
FACT FINDING

STATE OF OHIO

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Jul 17 11 58 AM 1995

BETWEEN

The
CITY OF MARTINS FERRY, OH

and the

AFSCME, OHIO COUNCIL 8,
LOCAL 1260, AFL-CIO

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(CASE NO. : 95-MED-02-0134
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(FACT FINDER: JOHN S. WEISHEIT
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(DATE OF HEARING: June 28, 1995
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(DATE OF REPORT: July 14, 1995
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REPRESENTATION
by

Employer Representatives

Carl Mamone, Mayor
Joseph Minder, Service Director

Union Representatives

Jaladah Aslam, Staff Representative
Donald Headley, Pres., Local 1260
Billie Regis, Vice Pres., Local 1260
Stanley E. Minder, Sec., Local 1260
Stanley Bender, Rep, Local 1260

AUTHORITY

This matter was brought before Fact Finder John S. Weisheit, in keeping with applicable provisions of ORC 4117 and related rules and regulations of the Ohio State Employment Relations Board. The matter before the Fact Finder is for consideration and recommendation based on merit and fact according to the provisions of ORC 4117. This Report is timely filed in keeping with mutuel agreed to time lines of the parties.

BACKGROUND

The City of Martins Ferry, hereinafter called the "Employer" and/or the "City", recognizes AFSCME, Ohio Council 8, Local 1260, hereinafter called the "Union" and/or "AFSCME", as the bargaining representative for approximately 40 full time employees. The City has engaged in collective bargaining with AFSCME regarding wages, hours, and other terms of employment in keeping with ORC 4117 and related rules and regulations. Said negotiations has resulted in a previous labor agreement. Most recently, the City and Union engaged in good faith bargaining for the purpose of negotiating a successor agreement. The parties resolved all matters except the issues of "Wages" and "Duration".

The Fact Finder was requested to intervene when the parties reached impasse and determined that mediation efforts would not resolve the impasse. A Fact Finding Hearing was held on June 28, 1998. At that time the parties had the opportunity to provide to the Fact Finder such evidence and testimony they considered pertinent and relevant. Said evidence and testimony was reviewed and used in formulating the basis for the recommendations and rationale in this Report.

ISSUES AT IMPASSE

The following issues remain unresolved and are considered at impasse:

Article 42 - Duration of Agreement

Article 43 - Wages

**SUMMARY OF THE PARTIES' RESPECTIVE POSITION
ON ISSUES AT IMPASSE**

City	Issue	Union
Retain current rate of pay.	Wages	Increase the wage scale by 6% each year of the Contract.
1 Year Duration.	Duration of Agreement	3 Year Duration.

FACT FINDER'S DISCUSSION

General Additional mediation efforts were suggested by the Fact Finder; however, the parties determined it was more appropriate to proceed with an evidentiary Hearing.

While the City has proposed a one year agreement, it indicated willingness to agree to a multi year agreement containing an economic reopener.

Ability to pay, per se, is not argued by the Employer. It instead contends that the City currently is working with limited financial reserves and its projected future economic situation is bleak should it continue without a change in its current course and means of attaining revenues.

While the Union concurs that the City is faced with limited funds, it contends that funds exist that would allow some wage increase. The Union noted its wage demand was its initial proposal. While not expecting attainment of its initial demand, it found no basis to compromise its position without some indication of wage movement on the part of the Employer. The Union also noted concern regarding past disparate wage and economic treatment of bargaining unit members and wants to avoid a repeat of such a scenario at this time. From its perspective, the unit employees have shouldered disproportionate share of past poor economic conditions of the City.

The City total annual financial operations amount to about \$6 - \$8 million a year including all anticipated revenues attained from taxes, fees, grants, service costs, etc. A review of the financial documents and testimony given in Hearing indicate limited funds available for immediate wage increase. Further, the long range projections indicate a bleak economic picture not only for wages but all community services if revenue rates remain unchanged.

The bargaining unit includes about 40 employees. The average hourly wage for a bargaining unit is estimated at \$8.93, and retirement, workers compensation, and other related costs project a total annual bargaining unit cost of \$41,000. There was general consensus that to increase the wage scale of the bargaining unit employees by 1% it would cost an additional \$8,000 per year.

According to SERB Benchmark, comparable employees have realized an average negotiated wage increase of about 3% per year in recent settlements. This bargaining unit is noted to rank low when current pay rates are compared to similar employees on a regional and State basis.

The expiring Agreement provided for a 3% annual wage increase for each of the three years the Agreement was in effect. Evidence and testimony indicate that this was the first period of wage stability provided these employees in a number of years.

Article 42
Duration
of
Agreement

It has been the experience of this Fact Finder that little benefit is derived in recommending a contract having a short duration or reopener. The ultimate purpose of a labor agreement to establish a period of stability for the employer and employee to engage in their primary pursuits. Short contracts or contracts with reopeners tend to foster continuous bargaining and set an atmosphere of instability and uncertainty. Such conditions are not conducive in attaining the ultimate objective for healthy labor relations nor allowing efficient use of time by the Employer or the employees. In this situation the parties have been negotiating for nearly 6 months on this contract. Thus, at best, with a one year agreement, or a Contract with wage reopeners will likely result in the bargaining process to begin again in another 3-4 months and continue for another 2-4 months. Such is not viewed in the best interest of the community, the City or the Union.

Though limited reopener of certain terms of a contract is not uncommon, such is found to be nearly as disruptive to the primary mission of the employer and instability of employment conditions for the employees as a short duration contract. That is why this Fact Finder does not recommend said provisions, except in extraordinary circumstances or when the parties mutually indicate agreement to said provisions. That is not the found in this case.

The Employer needs some time to plan and make hard decisions regarding the future service level for the city and implement a programs that will benefit the community and its citizens. It also will need to determine the financial means to provide that level of service. Likewise the employees need stability of terms of employment to assure the vital role they play in implementing the Employer's mission and to do so efficiently and effectively.

Since the parties have reached tentative agreement on all matters of substance to a successor Agreement except duration and wages, it is recommended maximum duration be included. This takes into consideration the matters of tentative agreement already attained by the parties and the wage recommendation addressed next in this Report.

It is recommended that Article 42 - Duration of Agreement read as follows:

Rec.
Duration

This Contract shall be effective as of 12:01 a.m., May 1, 1995, and shall remain in effect until 12:00 midnight April 30, 1998.

Should either party desire to modify or amend this Agreement, it shall give written notice of such intent no earlier than ninety (90) nor later than sixty (60) calendar days prior to the expiration date of the Contract.

Any notice given under this contract shall be by registered mail and sent to:

by the City to the Union:

by the Union to the City:

AFSCME Ohio Council 8
5212 Mahoning Avenue
Suite 305
Youngstown, OH 44515

Mayor
City of Martins Ferry
City Hall
Martins Ferry, OH 43935

Either party may, by written notice, make a change of address.

FOR THE UNION

FOR THE CITY

Article 43 It is relevant to consider the various aspects impacting the inability of the parties
Wages to resolve this issue.

First, past history does indicate that the bargaining unit employees have carried a major burden in times when limited funds were available. No evidence indicates that efforts were made in "good times" to attempt to retain a degree of wage parity. Further, no evidence or testimony was introduced to indicate the employees' value to the City was in question. In fact, the opposite was the case. All indications are the unit employees are dedicated and qualified individuals doing their best to fulfill their mission for the City.

A review of the financial documentation and testimony indicate that limited funds can be made available for an immediate wage increase for unit employees. Said funds are not noted to be in great quantity, but should allow for retaining current comparable standings.

The greatest uncertainty noted is the status of the City's commitment to a long range income program that corresponds to its projected community services. This Fact Finder recognizes the Employer's authority and obligation of self-determination in such matters. It is also understandable in this day and age that increasing taxes or service fees is undesirable for any public subdivision. But reality dictates at a certain point, if sufficient funds are not available, service levels will be curtailed. The fact that the City's local income tax recently received a setback by a negative voter referendum is recognized as a significant factor to its long range plans. Such greatly impacts the service and staffing levels vital to an effective and comprehensive program to the community. Yet, hard decisions need to be made in a timely fashion to assure a level of service is made known to the citizens and City employees.

As an attempt to meet the needs of the citizens, the City and the Employees, the following wage recommendation is made as part of a total Contract that will best meet the objectives herein addressed.

Rec. Effective May 1, 1995, the employees' wages shall be increased by 3% and such
Wages shall be reflected on the wage scale as set forth as Appendix "B" of the Contract.

Effective May 1, 1997, the employees' wages shall be increased by 4% and such shall be reflected on the wage scale as set forth as Appendix "C" of the Contract.

RECOMMENDATIONS

The following is recommended for inclusion in the Agreement between the parties:

Article 42 - Duration of Agreement

It is recommended that Article 42 - Duration of Agreement read as follows:

This Contract shall be effective as of 12:01 a.m., May 1, 1995 and shall remain in effect until 12:00 midnight April 30, 1998.

Should either party desire to modify or amend this Contract, it shall give written notice of such intent no earlier than ninety (90) nor later than sixty (60) calendar days prior to the expiration date of the Contract.

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by the City to the Union:

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Youngstown, OH 44515

by the Union to the City:

Mayor
City of Martins Ferry
City Hall
Martins Ferry, OH 43935

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FOR THE UNION

FOR THE CITY

Article 43 - Wages

Effective May 1, 1995, the employees' wages shall be increased by 3% and such shall be reflected on the wage scale as set forth as Appendix "B" of the Contract.

Effective May 1, 1997, the employees' wages shall be increased by 4% and such shall be reflected on the wage scale as set forth as Appendix "C" of the Contract.

TOTALITY OF AGREEMENT

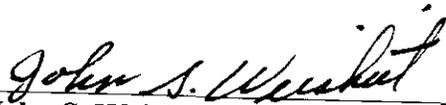
This will affirm the foregoing report, consisting of **8 pages**, inclusive of this page, and **recommendations** contained herein, are made in this matter of **Fact Finding** by the below signed **Fact Finder**.

If there is found conflict in the Report between the Fact Finder's Discussion and his Recommendations, that language in the Recommendations shall prevail.

All matters of tentative agreement are **recommended**, to be included in the Agreement.

To the best of my knowledge, said Report and **its included recommendations** complies with applicable provisions of ORC 4117 and related Rules and Regulations adopted by the State Employment Relations Board.

I therefore affix my signature at the City of Galion, in the County of Crawford, in the State of Ohio, this July 14, 1995.



John S. Weisheit, Fact Finder

CERTIFICATE OF SERVICE

This will affirm that the Fact finding Report in the Matter of Fact finding between

City of Martins Ferry

v

AFSCME, OH Council 8

Local 1260.

SERB Case No. 95-MED-02-0134

was served to the below named parties at the stated addresses

Jaladah Aslam, Staff
Representative
AFSCME, Ohio Council 8
5212 Mahoning Ave.
Youngstown, OH 44515-1810

Carl J. Mamone, Mayor
City of Martins Ferry
Municipal Building
5th and Walnut Streets
Martins Ferry, OH 43935

by 1st Class U.S. Postal Service Mail, on July 14, 1995.

I affirm, to the best of my knowledge that the foregoing is true and accurate.

John S. Weisheit July 14, 1995
John S. Weisheit, Fact Finder Date