

STATE EMPLOYMENT
RELATIONS BOARD

APR 21 9 02 AM '97

STATE EMPLOYMENT RELATIONS BOARD
STATE OF OHIO

In the Matter of Fact-finding]
Between:]
]
]
CITY OF NORTHWOOD,]
Employer]
]
and]
]
AFSCME OHIO COUNCIL 8,]
LOCAL 755,]
Employee Organization]

Case No. 96-MED-11-111]
Raymond J. Navarre]
Fact-finder]

FACT-FINDING REPORT
and
RECOMMENDATIONS

Date of Issuance: April 16, 1997

Date of Hearing: April 2, 1997

Location of Hearing: Northwood City Building
6000 Wales Rd.
Northwood, Ohio

Present for the Fact-finding: E.P. Nevada
Clemans, Nelson &
Associates, Inc.
Representing the City of Northwood
Mark K. Ellerbrock
Finance Director, City of Northwood

Kevin Moyer
Representing AFSCME Ohio Council 8,
Local 755
Jim Stoner, Chief Steward
Pat Shively, Committee Member

Note that for purposes of identification in this document, The City of Northwood and their representatives will be referred to as the City and representatives of The AFSCME Ohio Council 8, Local 755 and their representatives will be referred to as the Union.

Time: The Fact-finding was scheduled for 9:00 AM and concluded about 11:30 AM.

BACKGROUND

The collective bargaining unit in this matter is described as full-time and regular part-time non-uniform employees, including Laborer, Custodian, Building and Grounds Worker, Tax Clerk, Junior Accounts Clerk, and Senior Accounts Clerk; but excludes professionals, and confidential employees, supervisors, seasonal, casual and temporary Employees. This unit includes thirteen (13) employees of the City of Northwood.

Prior to the date of this Fact-finding a tentative agreement had been submitted to the members of Local 755 and rejected by a vote of six (6) to four (4). Hence the need for the Fact-finding.

There are three unresolved issues that were submitted to the Fact-finder for consideration. The issues are Wages, Longevity and Biweekly pay. The Union's unresolved issues are Wages and Longevity. The City's issues are Wages, Longevity and Biweekly pay. It is to be noted that issues of Longevity and the Biweekly Pay Period were not in the tentative agreement submitted for a vote.

The City and the Union presented the Fact-finder with statements regarding their positions on the unresolved issues.

FACT-FINDING CRITERIA

In determining the facts and making the recommendations contained in this document, the fact-finder considered the applicable criteria as required by the Ohio Revised Code Section 4117.14 and the Ohio Administrative Code Section 4117-9-05. These criteria are:

- (1) Past collectively bargained agreements, if any between the parties;
- (2) Comparison of 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;
- (3) 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;
- (4) The lawful authority of the public employer;
- (5) Any stipulations of the parties; and,
- (6) Such other factors, not confined to those listed above, which are normally or traditionally taken into consideration in the determination of issues submitted to mutually agreed-upon dispute settlement procedures in the public service or in private employment.

FINDING of FACT and RECOMMENDATIONS

The three (3) issues submitted by the City and the Union to the Fact-finder will be considered in what follows.

Below, the finding of fact will be presented for each issue, followed by the Fact-finder's recommendation in respect to that issue and when applicable, the language recommended for the bargaining agreement. The Fact-finder's report needs to be considered in its entirety as to the overall effect on the parties and their bargaining positions.

OPEN ISSUES

1. WAGES

The Union proposes a wage increase of fifty-two (.52) cents per hour Effective April 1, 1997, fifty-four (.54) cents per hour Effective April 1, 1998, and fifty-six (.56) cents per hour Effective April 1, 1999.

The current wages paid (per hour) are as follows:

Senior Account Clerk	11.59
Tax Clerk/Compl. Auditor	11.59
Account Clerk	11.04
Street Department Laborer	13.08
Building & Grounds Maintenance	13.60
Part-time Custodian	8.54

The Union's proposal would result in the wage matrix as of April 1, 1999 as follows:

Senior Account Clerk	13.21
Tax Clerk/Compl. Auditor	13.21
Account Clerk	12.66
Street Department Laborer	14.70
Building & Grounds Maintenance	15.22
Custodian	10.16

The Union noted that based on the Street Department Laborer position, the wage increase proposed by them was four (4) percent for each of the three years; April 1, 1997, April 1, 1998 and April 1, 1999.

The Union's position in support of the proposal is two-fold. First, the financial status of the City shows an ability to increase the wages in the amount proposed. There was some question at this point as to the document offered by the Union and the document present by the City. However, the City did say that the issue on their part was not based on an inability to pay. The City's position will be addressed in the part of this document dealing with their proposal concerning wages.

The second part of the Union's position is that the City's other employees have received substantial increases in their wages in comparison to this bargaining unit. The example presented was a comparison of the wages of the Street Superintendent and the wages of a Street Department Laborer. In 1991, a Street Department Laborer was paid seventy-one (71) percent of the superintendent's rate and by 1996, the laborers were paid sixty-six (66) percent of the superintendent's rate. In 1991, the Senior Account Clerks were paid ninety (90) percent of the City Clerk's rate and in 1996, they were paid eighty-six (86) percent of the rate paid to the City Clerk. It was pointed out that similar trends have taken place in Zoning, Finance, and the Administrator's Assistant positions.

The Union believes its proposal would slow the gap created by a disparate approach to wage increases in the city.

The Union also contends that the wage proposal is supported by wages paid to employees of similar communities in the area. The wages listed were for employees in Oregon, Perrysburg and the City of Rossford. The City of Rossford is similar in population to the city of Northwood.

A street maintenance worker in the City of Oregon is paid \$13.73 per hour and a clerk earns \$13.64 per hour. In the City of Perrysburg, a street department light equipment operator is paid \$16.55 per hour and a clerk earns \$14.73 per hour. A street department employee in Rossford earns \$13.93 per hour.

The City's proposal on wages is a wage increase of two and three quarters (2.75) percent for each year of the agreement, Effective April 1, 1997, April 1 1998 and April 1, 1999. This proposal of the City is based on four points.

First, the proposed increase is identical to the most recent percentage increases granted to unionized Police officers of the City of Northwood.

Second, in recent years the AFSCME employees have enjoyed proportionately higher wages increases than any other city employees group. Also, even without an increase the AFSCME employees are at or near the top of external comparables.

Third, AFSCME employees have regularly exceeded the CPI-U (all cities) index by a far greater margin than other city employees.

Finally, the Union's proposal on wages would impose a higher cost than the City wishes to absorb.

It is noted that the tentative agreement presented for the vote had a wage increase of three (3) percent across the board.

RECOMMENDATION

After considering the findings of fact above and the statutory criteria, the Fact-finder's recommendation is that the collective bargaining agreement include a wage increase for the AFSCME Employees covered by the collective bargaining agreement of three (3) percent Effective April 1, 1997, three and one quarter (3.25) percent Effective April 1, 1998 and three and one half (3.5) percent Effective April 1, 1999.

2. LONGEVITY

The Union proposes the creation of a longevity program. The proposal would provide a compensation for years-of-service to long term employees. In the Union's proposal employees would receive a lump sum payment on the first pay period in December as follows:

Each December after the fifth (5th) Anniversary	\$150.00
Each December after the Tenth (10th) Anniversary	\$250.00
Each December after the Fifteenth (15th) Anniversary	\$350.00

The Union offers as support for this proposal that the current wage step formula provides for step increases beginning at the date of hire but ending at the first (1st) Anniversary after hire. The Union maintains there are few opportunities for a pay increase after the first year on the job. As examples, the Union states there is no promotional positions for the Street laborer within the department and only opportunity outside the department and within the bargaining unit. Also, Accounts Clerk and Senior Accounts Clerk positions have limited opportunity for a higher rate by promotion.

The Union feels the longevity program would provide an incentive program based on seniority as a reward for employees who remain with the city for a long period of employment.

Finally, the Union offers as support for its proposal that it is based on equity with other similar situated Employers in the area such as the City of Oregon and the City of Perrysburg. Both cities have a longevity premium based on years of service when an employee reaches the top step of the wage matrix.

In addressing the costing of the proposal, the Union's position is that the cost would be less than the savings gained from the City's proposal to change to biweekly paychecks.

The City's position on the longevity proposal is to say "no". The City supports this position with the following rationale.

No other employee of the City currently receives longevity.

Using external comparables, longevity is not necessary because the City already pays more than Employers having longevity pay.

The City has not experienced difficulties retaining employees.

Longevity payments buy nothing in respect to a bargaining unit such as this. Length of service in this unit adds neither greater knowledge or greater value to the City.

Finally, the City notes that bookkeeping and FLSA liability problems are created in the calculation of overtime rates when longevity is involved. The City cites Featsent v. City of Youngstown, 2WH Cases 475 (1993), to support the position taken.

RECOMMENDATION

After considering the findings of fact above and the statutory criteria, it is the Fact-finder's recommendation that the collective bargaining agreement contain the following longevity program. Employees will receive a lump sum payment of \$250.00 on the first (1st) pay period in December, each December after their Twelfth (12th) Anniversary. The longevity payments are to be rolled into the base, part of their salary compensation.

3. PAY PERIOD

The City proposes that weekly paychecks be eliminated and paychecks be issued biweekly.

The City's rationale is that weekly paychecks are archaic.

Most comparable jurisdictions pay biweekly. The City presented a list of cities to support this.

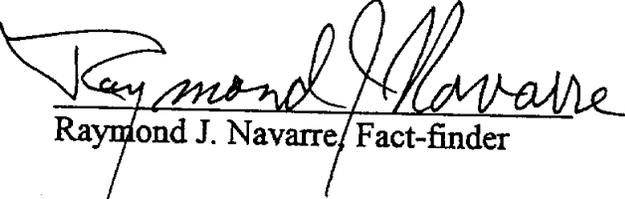
Biweekly issuing of paychecks would reduce cost and save clerical time.

The City is attempting to modernize its accounting system and most software applications are based on a biweekly pay period.

The Union's position is that the change would create a financial hardship for the employees.

RECOMMENDATION

After considering the statutory criteria and the findings of fact as put forth above, the Fact-finder's recommendation is that the collective bargaining agreement provide for a biweekly pay period with the pay being due the Tuesday following the pay period. A one time signing bonus of \$100.00 per employee will be given no later than the Tuesday of the week of the transition period, the first week of the change from the weekly pay period to the biweekly pay period.


Raymond J. Navarre, Fact-finder

Dated April 16, 1997