

**STATE OF OHIO  
BEFORE THE STATE EMPLOYMENT RELATIONS BOARD**

In the Matter of Conciliation Between

Fraternal Order of Police/Ohio Labor Council, Inc.  
Sergeants/Chief Detective Bargaining Unit

Employee Organization

Case No. 12-MED-09-0903

And

City of Wilmington, Ohio

Conciliator: Jerry B. Sellman  
Date of Report: October 2, 2013

The Employer

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**REPORT AND AWARD OF CONCILIATOR**

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APPEARANCES:

FOR THE EMPLOYEE ORGANIZATION:

Mr. Mark A. Scranton - Staff Representative FOP/OLC Inc., representing the Union

FOR THE EMPLOYER:

David S. Blaugrund, Esq. – Attorney with Blaugrund, Herbert, Kessler, Miller, Myers &  
Postalakis, Inc., representing the City of Wilmington, Ohio  
Mary Kay Vance – Deputy Auditor for the City of Wilmington, Ohio, Witness  
Danny Mongold – Director of Human Relations for the City of Wilmington, Ohio, Witness

**Preliminary Information**

This matter concerns an examination of unresolved issues between the City of Wilmington, Ohio (hereinafter referred to as the “Employer” or the “City”) and the Fraternal Order of Police, Ohio Labor Council, Inc. (hereinafter referred to as the “FOP” or “Union”) under the terms of a successor Collective Bargaining Agreement for the Sergeants and Chief Detective Unit which expired December 31, 2012. At the time of the hearing, the bargaining unit consisted of three (3) sergeants and one (1) Chief Detective.<sup>1</sup>

The City of Wilmington, with a population of approximately 12, 000 residents, is located in Clinton County, Ohio off Interstate Route 71 between Columbus and Cincinnati, Ohio. Beginning in 2009, the City found itself in the throes of an unanticipated financial crisis brought on, in large part, by the unexpected closure of DHL’s operations at the Wilmington Airport. When DHL closed its operations in 2008, there was a loss of at least 3,000 DHL jobs in Wilmington and surrounding areas of Clinton County. Thousands of other jobs were also lost due to the ripple effect created by the DHL closure, as well as a poor financial condition facing the nation, state and region at large at that time.

The City and the Union responded to the City’s dire financial condition when reaching agreement on the 2010-2012 contracts for the police bargaining units. The contracts had wage articles providing zero percent (0%) annual wage increases in each of the three contract years. Step increases were also frozen, absent agreement during the wage re-openers to implement step increases. The Union exercised its right to seek step increases in wage re-openers, but the City’s position that it was deficit spending and could not afford any type of wage increase was adopted

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<sup>1</sup> There were four sergeants at the time of the Fact-finding hearing, but one retired between Fact-finding and Conciliation. The City was looking to replace the retired sergeant at the time of this hearing.

in Fact-finding hearings.

When negotiating the terms of a successor Collective Bargaining agreement to commence in 2013, the parties mutually agreed on a majority of issues. Unable to reach an agreement on all issues, a Fact-finding hearing was held before Fact-finder Floyd D. Weatherspoon on April 24, 2013. At the Fact-finding hearing several additional issues were settled and only one (1) issue was placed before the Fact-finder for consideration. That issue involved language in the new agreement seeking wage step increases on each anniversary date throughout the duration of the new Collective Bargaining Agreement. On June 17, 2013, the Fact-finder issued his report recommending that no new step increases be allowed for 2013, but recommended re-openers on the issue of step increases for the years 2014 and 2015. The Fact-finder's Recommendations were accepted by the Employer and were rejected by the Union.

The State Employment Relations Board (SERB) duly appointed the undersigned as the Conciliator on July 9, 2013. The Parties mutually agreed to hold a Conciliation hearing on September 6, 2013 at the City of Wilmington's conference room. Pre-hearing statements were submitted by the parties. The parties waived any requirement for a transcript of the hearings on this matter.

The sole issue identified and discussed by both parties is as follows: ARTICLE 18 – WAGES (Step Increases only).

A Conciliator is required to select the offer of one party or the other without modification. The selection between the final offers is based upon the criteria set forth in Section 4117.14(G)(7) of the Ohio Revised Code. They are:

- (a) Past collectively bargained agreements, if any, between the parties;
- (b) Comparison of the issues submitted to final offer settlement 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;
- (e) The lawful authority of the public employer;
- (f) The stipulations of the parties;
- (g) 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 final offer settlement through voluntary collective bargaining, mediation, fact-finding, or other impasse resolution procedures in the public service or in private employment.

### **Issue**

The following summarizes the positions of the parties, the evidence and arguments offered in support of each party's wage proposal, the Conciliator's analysis and the Conciliator's Award on the issue presented.

### **Article 18** **Wages**

The Union proposes that bargaining unit members receive a salary step increase on their anniversary dates throughout the life of the contract. The City takes the position that there should be no step advancement for contract year 2013 and that the issue of step advancement should be subject to bargaining during wage reopeners for the 2014 and 2015 contract years.

#### **The Union's Position**

The Union seeks an increase for its bargaining unit members for several reasons: (1) the bargaining unit has not received an increase since 2009 and the small step increases sought will

keep them competitive with comparable jurisdictions; (2) the bargaining unit, which is currently comprised of three sergeants and one Chief Detective, only seeks an increase of \$22,626.24 with roll-ups , which is an insignificant portion of the overall budget; (3) the city is not bound by “me too” provisions of other contracts in the City and the cost to the City is not as presented by the City; (4) the trend in deficit spending by the City is reversing and it has the ability to pay the minimal increases out of its year-end surplus; and (5) numerous press releases over the last year support the fact that the City’s financial picture is improving and its financial status is not as bad as represented by the City in fact-finding and conciliation.

The bargaining unit members have had no wage increases of any kind since 2009. This was due primarily to the poor economic conditions that the City faced when the DHL facility pulled out in 2008. Members of this bargaining unit agreed to freeze wages as did all City employees. In 2012 and 2013, however, the Union considers the City to be in an economic recovery and they should be at least entitled to step increases to keep up with the cost of living.

While the City’s finances are improving, the workload of the bargaining unit members has also increased. The Department previously had an Assistant Chief of Police. When the Assistant Chief of Police retired, a replacement was not hired. Prior to Fact-finding there were four sergeants and one Chief Detective in the bargaining unit. With the retirement of one of the sergeants, the bargaining unit has been further reduced and all of the bargaining unit members are performing additional duties due to these reductions in force. This is a further justification for the increase in pay.

Several years ago, even though it was not obligated to do so, the City picked up part of seven percent (7%) of the employee’s ten percent (10%) health insurance premium. The City is no longer doing that and the bargaining unit members take home pay is that much less.

The Union argues that the cost of its proposal is \$18,470 or \$22,626.24 with roll-ups factored in. It points out that the City's General Fund carryover of \$2,720,361 from 2012 to 2013 was increased from the prior year, which was \$2,538,741.48 from 2011 to 2012. With a trend in increased carry-overs, the proposed \$22,626.24 is affordable.

While the City argues that the cost of the Union's proposal is much higher than represented by the Union, such is not the case. The City is not obligated to pay wages increases to other City employees if the Union's proposal is adopted. The promise by the Mayor to increase all employees' wages if one group received an increase in wages is not a contractual or statutory obligation; it is only a promise. While "me too" language is contained in other collective bargaining agreements, such language refers to base wage increases, not step increases as sought by the Union. As an example, language in the Patrolmen's Agreement provides that *"[I]n the event that any group, bargaining unit or non-bargaining unit employees of the Employer is granted an annual wage increase, including by way of fact finding and/or conciliation, in excess of the 0% annual increase provided by this agreement, or the annual increase, if any, of the subsequent reopeners, the increase provided by this agreement shall be amended to conform to that higher percentage increase."* The Union agrees that a cost of living increase or a base wage increase would have to go to all employees subject to such contractual language, but here the Union is not requesting a cost of living adjustment; it is requesting the implementation of step increases.

The City's agreements with its Police Officers and the Firefighters contain "me too" provisions, but they also provide for exceptions. The exception(s) provides: *"This provision [me too] does not apply in situations where the Employer grants individual employees wage increases due to wage corrections, enhanced compensation for out of classification or other*

*extraordinary work assignments, or similar increases in compensation addressing unique situations of individual employees*". Since the City did not fill the position of the Assistant Chief of Police and those responsibilities have been transferred to the other employees of this bargaining unit, this would constitute an extraordinary work assignment and justify enhanced compensation in the form of step increases. City-wide increases would not be triggered.

The Union further argues that even if its modest request were not attainable in the current appropriations, the City would nonetheless have the ability to pay. There is a surplus in the General Fund and the City could re-appropriate those funds. Conciliator Jack McCormick explained this concept in *Fraternal Order of Police, Ohio Labor Council, Inc. and the Highland County Sheriff* SERB Case No's. 09-MED-10-1216, 1217, 1218 and 1219 (September 12, 2011).

He stated:

"Therefore, the argument that any such proposed wage increase will cause a deficit in what has been appropriated by Highland County to the Highland County Sheriff is irrelevant. One must look solely at the availability of funds from the actual Employer, i.e. Highland County. If there are sufficient funds in the General Revenue Fund of the County to fund a wage increase then it is totally irrelevant whether or not those funds currently appropriated to the Sheriff's Office are sufficient to fund such an increase. All the Highland County Commissioners need to do is to appropriate additional funds to the Sheriff's Office, (if actually necessary), to fulfill the mandate of a conciliator's award."

The Union further argues that comparable wages paid to sergeants and chief assistant detectives in cities similar to Wilmington should be considered by the Conciliator, not the internal comparables upon which the City relied. Comparable agencies within the same geographic location are still receiving step increases in accordance with their collective bargaining agreements. The Union provided comparable data, including step language from other collective bargaining contracts deemed relevant. The comparable agencies listed by the Union are City of Blue Ash, City of Cheviot, City of Forest Park, City of Franklin, City of

Greenville, City of Monroe, City of Montgomery, City of Mt. Healthy, City of North College Hill, City of Springdale, and the City of Xenia. The Union emphasizes that no other comparable agency has its steps frozen. As such, the Conciliator should reject the City's argument concerning internal comparable data supplied by the City and adopt the position taken by Conciliator Marvin Feldman in Case No. 00-MED-05-0617 (January 26, 2001), *Fraternal Order of Police, Ohio Labor Council, Inc. and Jackson Township*. Therein Conciliator Feldman stated:

*“The internal comparison of wage [differential] between fire and police is really a non-factor. The duties of both safety forces are entirely different, the scheduling is entirely different. The ability for a second job for a firefighter is present whereas a second job for a policeman is a difficult task.....Quite frankly the internal comparison of comparing police and fire [differential] in my opinion is inappropriate.”*

The Union argues that the deficit spending of the City is ending and it is experiencing positive revenue over expenditures. At Fact-finding the Union argued that the City enjoyed a General Fund carryover of \$2,720,361.58 from 2012 to 2013 and the carryover increased from the prior year of \$2,538,741.48 from 2011 to 2012. It further argued that the City received an unexpected inheritance tax of \$146,000 in 2013 that had not been appropriated for use.<sup>2</sup> The City should have sufficient funds to pay for the increases sought.

While the financial statements provided by the City reflected \$171,177 in revenues over expenditures in 2012, the audited financials of the City shows a much higher positive position.<sup>3</sup> The City can afford the increases sought. Additionally, the collection of income taxes are increasing and the projected ability to pay the increases sought are justified and affordable.

The City has, at numerous City Council Meetings, expressed the positive financial

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<sup>2</sup> At the time of the hearing in September 2013, the financial report of the City showed that the carry-over from 2011 to 2012 was \$2,585,411 and \$2,757,588 from 2012 to 2013.

<sup>3</sup> The City's Deputy Auditor explained that the year-end financials are prepared on a GAAP basis (accrual) and do

direction in which the City is going. At one meeting the City Council was proposing paying off city bonds with the extra cash it was receiving. If it has additional funds to pay off bonds, it can pay the Union's minimal step increases.

### The Employer's Position

The City of Wilmington argues that, while economic conditions have improved as a result of reductions in force and wage freezes over the last several years, it still is deficit spending and using up its reserves in order to maintain services and operations. In addition, the City has taken the position that if increases in wages are given to any employee group, then all employee groups will share in the same increases. Since it continues to deficit spend and has not given any wage increases to other employees of the City, whether members of bargaining units or not, it maintains that it cannot afford to give this bargaining unit the step increases it seeks.

Evidence presented by the City's Deputy Auditor demonstrates that expenditures from the City General Fund began to decline annually since 2008 in response to the annual loss of revenues due to the loss of DHL and related jobs and an overall downturn in the economy. Revenues declined from a high of \$11,083,298 in 2009 to a projected \$7,996,975 in 2013 and expenditures likewise decreased from \$9,254,350 to a projected \$8,187,043 in 2013. The City engaged in deficit spending in 2010 and 2011 to maintain City services, but avoided deficit spending in 2012 primarily due to a high collection of inheritance tax in the amount of \$893,204. With the demise of state inheritance tax in Ohio, less than \$150,000 is expected to be collected in 2013. As a result, the City projects the deficit spending in 2013 will be around \$190,067. This indicates that the General Fund Surplus will continue to be depleted into 2014. With an anticipated carry-over balance of \$2,567,520, which is \$190,067.99 less than the carryover

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not reflect the cash position of the City at year-end. The cash position is always less.

balance for 2013, the City argues that the entire carry-over is needed to fund first quarter 2014 expenditures. (See chart below)

ARBITRATION INFORMATION								
2013								
UPDATED 8/30/13	EST. 2013	2012	2011	2010	2009	2008	2007	2006
BEG BALANCE	\$ 2,757,587.69	\$ 2,586,411.00	\$ 3,748,312.00	\$ 4,650,991.00	\$ 2,822,043.00	\$ 1,949,327.00	\$ 2,326,790.00	\$ 2,646,135.00
REVENUE*	\$ 7,996,975.58	\$ 8,814,054.00	\$ 7,754,216.00	\$ 8,065,982.00	\$ 11,083,298.00	\$ 10,693,933.00	\$ 8,874,427.00	\$ 8,714,368.00
EXPENDITURES	\$ 8,187,043.26	\$ 8,642,877.00	\$ 8,916,117.00	\$ 8,968,661.00	\$ 9,254,350.00	\$ 9,821,216.00	\$ 9,251,891.00	\$ 9,033,713.00
REVENUE OVER EXPENDITURES	\$ (190,067.68)	\$ 171,177.00	\$ (1,161,901.00)	\$ (902,679.00)	\$ 1,828,948.00	\$ 872,717.00	\$ (377,464.00)	\$ (319,345.00)
ENDING BALANCE	\$ 2,567,520.01	\$ 2,757,588.00	\$ 2,586,411.00	\$ 3,748,312.00	\$ 4,650,991.00	\$ 2,822,044.00	\$ 1,949,326.00	\$ 2,326,790.00

The City argues that the true cost of the Union's proposal vastly exceeds the price tag quoted by the Union because the cost implications of the Union's proposal extend to the city's other bargaining unit and non-bargaining unit employees. Since all of the City employees, including management, have had their wages frozen since 2009, the City has taken the position that it will not approve any wage increases without sharing a similar increase with all of the other employees who have not had increases since 2009. The Employer submits that when the cost of step increases for these other employees is counted, the Union proposal will cost Wilmington almost \$414,666 over the term of the contract. This amount represents the gross salary amount, plus roll-up costs including pension, required Medicare withholding and worker compensation premiums for the entire affected city employees.

The Union characterization of its proposal as "affordable," because economic recovery is at hand, is misplaced. The Union focuses on publicity surrounding a few hundred new jobs that have recently come to the area, as well as news accounts of City Council's recent deliberations regarding the possibility of paying off Wilmington's municipal bonds.

With regard to the latter political debate, the City administration opposed the City Council's consideration to retire bonds in the immediate future for the same reason that it

opposes the granting of step increases in 2013; the City's carryover is not sufficiently secure to warrant such expenditures at this time. City Council ultimately decided to abandon the idea of using City funds to pay off bonds at this time.

While the creation of new jobs is on the rise, they represent a "drop in the bucket" when considered in the context of the historic job losses that have impacted the area since 2008. Wilmington and surrounding areas have yet to experience a substantial economic upswing. The Ohio Department of Job and Family Services' June 2013 Unemployment Ranking report indicated that Clinton County's unemployment rate was 10.2% and that unemployment rates rose in all of the 88 counties statewide during that reporting period. The July 2013 Unemployment Ranking report indicated that Clinton County's unemployment rate of 9.9% is the tenth worst rate among Ohio's 88 counties.

The only relevant comparable wages for this bargaining group are the terms adopted by Wilmington's other bargaining unit and non-bargaining unit employees. The latter data provides the closest thing possible to a true "apples to apples" comparison, because the data from these groups are featuring the same employer, the same time period, the same municipality, the same underlying financial considerations and similar- if not identical - bargaining unit work functions. The Fact-finder in this proceeding recognized that Wilmington has traditionally maintained strong internal consistency among its police and fire bargaining units, as well as its non-bargaining unit employees. The Conciliator should consider these internal comparables in rendering his Award. As noted by Fact-finder Norman Prusa in *FOP and City of Eastlake*, SERB Case Nos. 92- MED-09-0815 & -0816 at 14 (September 9, 1993): "A wage relationship exists among the various units with which the City bargains. Although the members of any one of these units may feel that their wages are lower than their skills, duties, and value to the City

merit, they must recognize that their wage structure, vis-a-vis members of other units, has been established. To alter this relationship can only affect morale, lead to dissension, and destroy the ultimate goal of collective bargaining: labor peace. Irrespective of how I may feel about the FOP's wage proposal, I am not prepared to create chaos among the City's safety forces by recommending a greater increase than that already established for a segment of those forces.”

Countless other Fact-finders and Conciliators have applied this rationale in rejecting proposals to create unique benefits for individual bargaining units. *See, e.g., IAFF, Local325 and City of Fostoria*, SERB No. 89-MED-03-0354 (September 28, 1989). Therein, Alan Miles Ruben declined to adopt a unique insurance benefit for a single unit. He observed that “[t]he Conciliator is not persuaded that it is appropriate to introduce special provisions applicable to certain groups of employees. Such a process, once begun, has the potential for jeopardizing the efficient and effective administration of the system, the appropriate pooling of risks and the equitable apportionment of costs among employees” In *FOP/OLC and the City of Mt. Vernon*, SERB Case No. 94-MED-03-0279 David Pincus came to the same conclusion when he stated: “I conclude the internal comparisons outweigh the external comparisons provided by the Union. They represent existing and continuing municipal specific characteristics; and more accurately portray the pressures and strains dealt with by the bargaining unit and its employer. Here, the Union would have me discount a package agreed to by other City employees without offering a sufficient rationale in support of this premise.” Here the Employer submits that the parties’ long standing practice of maintaining internal consistency on economic issues must be continued in the case of step advancement in 2013.

Wilmington's patrol officer bargaining unit (not part of this bargaining unit) recently

tentatively agreed to a new collective bargaining agreement featuring a wage article with no step advancement in 2013 and wage reopeners in 2014 and 2015. Wilmington's IAFF firefighter bargaining unit is in the first year of a contract providing for no step increases in 2013, and wage reopeners in 2014 and 2015. The City's non-union employees also have received no wage or step increases in 2013. Under these circumstances, it would be inappropriate for the Conciliator to allow this four-member bargaining unit to drive up step increases on a City-wide basis when 2013 is rapidly nearing its end.

### **Analysis**

Wilmington has transitioned through tough economic times since 2008. Its infrastructure was built up to support the DHL facility, only to have the operation shuttered at a time when the economy was on the decline. With lack of revenues to support the ongoing operations of the City, all employees, including this bargaining unit, agreed to wage freezes. The City proudly admits that the economic situation has started to turn around, but both parties negotiating the new collective bargaining agreement to be effective January 1, 2013 recognize that the recovery is totally not complete. While agreeing on all provisions of a new agreement except for wages, the City proposes to continue the wage freeze, but is receptive to re-openers to discuss wages in 2014 and 2015, noting that if the economy continues to improve, it can pay additional wages in the future. The Union does not propose any increase in base wages, but proposes step increases during each year of the Agreement, since it has not received any increase since 2008.

When one examines the level of pay received by members of this bargaining unit and the minimum staff used to perform the duties of the sergeants and Chief Detective, it is understandable that the bargaining units believe some increase is justified, particularly since living expenses have continued to rise. To determine which proposal should prevail, the

Conciliator must consider in this case the impact of any increase in wages on the interest and welfare of the public, the ability of the public employer to finance and administer the step increases proposed, the effect of the adjustments on the normal standard of public service, and the wages of other public and private employees doing comparable work, giving consideration to factors peculiar to the area and classification involved.

The evidence demonstrates that while deserving, the City simply cannot afford to pay any increases to the Bargaining Unit Members in 2013. As such, the Conciliator must select the Employer's final offer to freeze all wages in 2013 and provide for re-openers in 2014 and 2015 to discuss potential step increases.

The evidence demonstrates that the City has been deficit spending every year since 2009 (beginning in 2010), except for 2012. While the City did have a positive cash balance at the end of 2012 (\$171,177), much of that was due to an extraordinary year of inheritance tax collections (\$893,204 in 2012 compared to \$240,087 in 2011). Due to the elimination of the Estate Tax in Ohio, collections in 2013 are projected to be \$210,216. When the negotiations began on the current collective bargaining agreement, the Mayor and City Council predicted increased employment and a better economic picture. The ability to predict the economic condition of the City was certainly more accurate at the time of the Conciliation hearing in September than it was in December 2012 when negotiation began. Current projections indicate that the City will end the year deficit spending once again in the amount of \$190,067. Its revenues will be down from 2012 by almost \$1,000,000. Its spending was also reduced, but not enough to make up the loss in revenue.

Even if the City is successful in decreasing expenses to balance the budget when revenues are declining, it must nonetheless maintain an adequate carry-over balance at the end of

the year. It must maintain sufficient cash at the end of the year to fund first quarter expenditures, since tax collections are always delayed until the second quarter. Even though the City anticipates it will end the year 2013 with a positive carry-over balance, that carry-over balance will be less than most years and is in continuing decline. Until that trend can be halted, prudent financial planning dictates that expenditures be curtailed. While wages are only one line item affecting the budget, it is always a big one. One must not automatically conclude that wages could not be increased in such a situation, but in light of the overall employment situation in Wilmington, they cannot.

The Union argues that the step increases sought will only impact the budget by \$22, 000. The evidence does not support that position. While the Union artfully argued that a step increase is not a wage increase when considering the language in other collective bargaining agreements, as well as the City's position that if one group receives a wage increase all of the employees would, it is a wage increase within the meaning and intent of the other collective bargaining agreements and promises. The impact of the step increase will trigger payment to other employees and further deplete the carry-over fund. This is a reduction the City cannot afford to absorb if it is to be fiscally responsible to its citizens.

Even if the step increase was as small as envisioned by the Union, deference must be given to the treatment of all of the other employees of the City who agreed give up any wage increase to help solve City's economic woes. While the City argued that the Conciliator should examine only internal comparables and follow the concept of pattern bargaining, which it suggests is the practice in Wilmington, the Union is correct that the City does not necessarily have a history of pattern bargaining where the City has sought parity among the various bargaining units over the years or has only relied on internal comparables. It's current position to

treat all employees the same relative to wage increases has been created as a result of the economic woes experienced by the City in the last seven years. Considering the circumstances that have developed over the last several years, in light of the promises made and relied upon, as well as the “me too” provisions in several contracts, the Union’s arguments were not sufficiently compelling to result in the adoption of its position, even if the economic impact of the step increase was as minimal as argued by the Union.

Any step increase would be retroactive to the beginning of the year. In light of the fact that it is now October and up-to-date financials portend deficit spending for 2013 and a reduced carry-over surplus, it would be wise to look at a re-opener for 2014 at this date rather than permitting retroactive pay which will further suppress the financial condition of the City.

The Union pointed out numerous news articles covering comments of the Mayor and City Council regarding the improving condition of the City. While the City may be improving by attracting new jobs and setting the stage for increased income tax collections, it is not where it needs to be to increase wages for all employees in for 2013. The City’s promise to increase non-bargaining unit employee wages and its contractual commitment to do the same in consideration of agreed-to wage freezes for a number of years cannot be ignored. Yes, City Council did discuss paying off municipal bonds to “save” the city money on interest rates, but the City Administration prevailed in stopping such action, which would have further depleted its carry-over to the detriment of the City.

The Fact-finder was correct when he concluded that now was not the time for any increase in wages, particularly when considering the declining revenue forecast for the City (which became a reality) and the resulting decline in year-end carry-over funds to cover operations.

Based upon the economic factors presented, the current wages of the members of the bargaining units relative to the employees in the bargaining units with those related to other public and private employees doing comparable work as cited, giving consideration to factors peculiar to the area and classification involved, the interest and welfare of the public, 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, I find the last best offer of the City to be appropriate in this case.

Cities experiencing deteriorating fiscal conditions are left with deciding more who will get paid than how much they will get paid. A Conciliator's job is not to determine how City commissioners allot money under their budgets, but to make final determinations based upon the provisions of 4117.14(G)(7) of the Ohio Revised Code as it relates to the impact of collective bargaining agreement provisions on the governmental entity's employees balanced against the interest of the public. There is a point at which a city could be at risk in protecting the public if funds are not made available to the law enforcement agencies serving it. The City needs to take that into consideration when re-openers are commenced to discuss wages.

#### **Award**

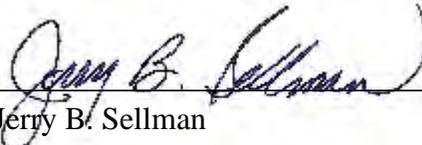
The Conciliator selects the City's final offer which is a wage freeze for 2013 and a reopener on wages for 2014 and 2015.

#### **Conclusion**

After due consideration to the positions and arguments of the parties and the criteria enumerated in ORC §4117.14(G)(1) and ORC §4117.14(G)(3) regarding the scope of the issues before the Conciliator and ORC 4117.14(G)(7), the Conciliator awards the last best offer of the City on the issue of Wages.

This concludes the Conciliator's Report and Award.

October 2, 2013  
Columbus, Ohio



Jerry B. Sellman

**CERTIFICATE OF SERVICE**

The undersigned certifies that a true copy of the Conciliator's Report and Award was sent via email, receipt confirmed on October 2, 2013 to:

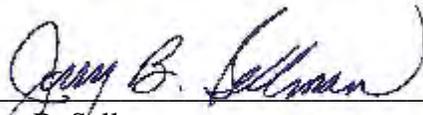
SERB

Mary E. Laurent  
Administrative Assistant  
65 E. State Street  
Columbus, OH 43215  
[mary.laurent@serb.state.oh.us](mailto:mary.laurent@serb.state.oh.us)

Mr. Mark A. Scranton  
Staff Representative  
4230 Pekin Court  
Batavia, Ohio 45103  
Cell: 513-659-3290  
Fax: 513-923-9561  
[markscranton.fopolci@yahoo.com](mailto:markscranton.fopolci@yahoo.com)

Catherine A. Brockman  
Executive Director  
222 East Town Street  
Columbus, Ohio 43215  
Phone: 614-224-5700  
Fax: 614-224-5775  
[cbrockman@fopohio.org](mailto:cbrockman@fopohio.org)

David S. Blaugrund  
Blaugrund, Herbert, Kessler, Miller, Meyers & Postalakis, Inc.  
300 W. Wilson Bridge Road, Suite 100  
Worthington, OH 43085  
[dsb@bhmlaw.com](mailto:dsb@bhmlaw.com)

  
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Jerry B. Sellman