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**STATE OF OHIO
STATE EMPLOYMENT RELATIONS BOARD**

In the Matter of: :
 :
 : **2013-MED-10-1333**
Ohio Patrolmen's Benevolent :
Association : **CONCILIATION AWARD**
 :
and : **April 3, 2014**
 :
City of Tiffin :

APPEARANCES

For the Union:

Jonathan J. Winters, OPBA Special Counsel
Candie Cunningham, Union Director
Rich Clouse, Dispatcher

For the City:

Thomas D. Rooney, Attorney
Aaron D. Montz, Mayor
Gwynn Reinhart, Director of Finance
Debra A. Reamer, City Administrator
Frederick W. Stevens, Chief of Police

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I. BACKGROUND

The Conciliator was appointed by the State Employment Relations Board (SERB) on February 14, 2014, pursuant to Ohio Revised Code Section (ORC) 4117.14(D)(1). The parties are the Ohio Patrolmen's Benevolent Association (Union or OPBA) and the City of Tiffin (Employer or City). The Employer is the county seat of Seneca County in north central Ohio. It is named for Edward Tiffin, the first governor of Ohio, and was founded along the Sandusky River. Tiffin has a population of almost 18,000 and is the home of Tiffin University and Heidelberg University. The Union represents all full time employees of the Police Department. There are three (3) separate units, Sergeants and Lieutenants, Patrol Officers, and Communication Technicians, i.e., Dispatchers. Sergeants, Lieutenants, and Patrol Officers are covered by one (1) collective bargaining agreement and the Dispatchers by another agreement. The bargaining unit at issue here consists of seven (7) Dispatchers whose primary function is the dispatching of police, fire, and EMS, and handling 911 calls for the City of Tiffin.

The Employer and the Union are parties to a collective bargaining agreement effective January 1, 2012 through December 31, 2014. The agreement includes a reopener for wages and health insurance plan design only for the 2013 and 2014 contract years. For the 2014 contract year, in addition to wages and health insurance plan design, the parties agreed to discuss any other article mutually agreed upon. During negotiations prior to fact finding, the parties agreed on changes to a handful of contract provisions, including: Article 10, Overtime/Hours of Work; Article 11, Overtime Distribution; Article 14, Health Insurance; Article 15, Sick Leave; and Article 21, Uniform Allowance. The agreement was extended from January 1, 2014 through December 31,

2016. The parties agreed to keep current contract language for all articles other than those listed above except for wages. The Conciliator hereby incorporates these tentative agreements into this Award.

The fact finding was held on January 13, 2014. The Fact Finder was Judge Burt W. Griffin. The Fact Finder's Recommendations and Findings were issued on January 15, 2014. The only issue was wages. Judge Griffin recommended the unit be granted a \$.35 increase per hour in 2014 as well as a 3% increase effective January 1, 2014. The Union accepted the report and the City objected, resulting in this conciliation. The parties waived the restrictions imposed on a conciliator by ORC 4117.14(G)(11), allowing the Conciliator to award an increase in wages on or after January 1, 2014.

II. THE HEARING

The conciliation hearing was held on Monday, March 17, 2014 at City Hall, 51 E. Market Street, Tiffin, Ohio. Each party provided a pre-hearing statement. In its pre-hearing statement, the City proposed accepting the \$.35 per hour increase if the Union agreed to reduce the Dispatchers' paid lunch break from one (1) hour to thirty (30) minutes. The Union objected because no proposal on breaks was submitted during negotiations or fact finding in violation of the memorandum of agreement the parties signed during negotiations that limited negotiations to wages, insurance, and any other article they mutually agreed to open. At the hearing, the City withdrew its proposal.

The parties jointly introduced the Agreement of The Ohio Patrolmen's Benevolent Association (Tiffin Police Communication Technicians) and City of Tiffin, Ohio, Effective: January 1, 2012, Through: December 31, 2014. They also introduced the following exhibits:

City Exhibits

1. Grant Projects.
2. November 8, 2010 Moody's Rating.
3. Email from RBC Capital Markets regarding general fund balances.
4. General Fund Balance and uses in 2014 using median cities with Moody's A1 rating.
5. General Fund Balance and uses in 2014 using GFOA standards.
6. City of Tiffin Dispatchers comparison of 3%, 3%, 3% to .35, 3%, 3%, 3%.
7. City of Tiffin Dispatchers Conciliation Impact of \$.35 increase city wide total for 3 year contract.
8. City of Tiffin Dispatchers Conciliation decrease in income tax revenue due to introduced legislation for uniformity by State of Ohio.
9. Chart of 2014 Comparables with number of Dispatchers, Lunch Breaks in Contract, and Other Breaks in Contract.

Union Exhibits

1. Agreement of The Ohio Patrolmen's Benevolent Association (Tiffin Police Communication Technicians) and City of Tiffin, Ohio, Effective: January 1, 2012, Through: December 31, 2014.
2. Comparables.
3. Graphs of Starting Wages; Top Level Wage; Top Level Wage with 20 Years Longevity; Comparables based on Shift Differential, PERS Pick-Up, Holidays, Personal Days, and Education Bonus; Comparables based on Longevity; Comparables based on Vacation.
4. Cost of Union Proposed Increase to Base Wages (2014).
5. Newspaper articles.
6. City of Tiffin financial reports.
- 6A. City of Tiffin financial reports.
- 6B. City of Tiffin financial reports.
- 6C. City of Tiffin financial reports, Moody's reports, email from Moody's to Gwynn Reinhart.
7. Section of Comprehensive Annual Financial Reports (CAFR) from City of Fremont for the year ended December 31, 2012; City of Fostoria Audit Report for year ended December 31, 2012; City of Norwalk Regular Audit for year ended December 31, 2012; Section of CAFR from City of Bucyrus for the year ended December 31, 2012; City of Bellevue Audit Report for the year ended December 31, 2012; Section of CAFR from City of Clyde for the year ended December 31, 2012; City of Willard Basic Financial Statements (Audited) for the year ended December 31, 2012.
8. Relevant sections of collective bargaining agreements between The City of Fremont and the OPBA (Unit A - Full-Time Patrol Officers)(Unit B - Dispatchers and Records Clerks) Effective: January 1, 2011 through December 31, 2013; The City of Norwalk and the OPBA Dispatchers, Effective January 1, 2013 through December 31, 2015; The City of Fostoria and OPBA Dispatchers Unit, Expires May

31, 2014; The City of Bucyrus Police Department and The FOP Captains, Lieutenants, Patrol Officers and Dispatchers, January 1, 2011 through December 31, 2013; City of Bellevue and OPBA; AFSCME Local 1940 and The City of Clyde, January 1, 2011 thru [sic] December 31, 2103; City of Willard and FOP, December 13, 2011 to December 12, 2014.

9. Comparables 2014.

The Ohio public employee bargaining statute provides that SERB shall establish criteria the Conciliator is to consider in making an award. The criteria are set forth in Ohio Administrative Code Section (OAC) 4117-9-06(H) and are:

- (1) Past collectively bargained agreements, if any, between the parties;
- (2) Comparison of the issues submitted to final offer settlement relative to the employees in the bargaining unit involved 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 interests 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;
- (4) The lawful authority of the public employer;
- (5) The stipulations of the parties; and
- (6) Such other factors, not confined to those listed in this rule, which are normally or traditionally taken into consideration in the determination of the 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.

III. ISSUE AND RECOMMENDATION

Issue: Article 29, Wages

Position of the Union: The Dispatchers are underpaid in spite of the City's size and relative economic strength compared to other cities in Seneca County and the surrounding counties of Wyandot, Huron, and Sandusky. The Union acknowledges that it is difficult to find an exact comparable to Tiffin, but suggests Fremont, Norwalk, Fostoria, Bucyrus, Bellevue, Clyde, and Willard are comparable. The Dispatchers start at \$12.48, lower than all of these and well below the median of \$14.50. Their top wage rate of \$16.46 is markedly less than the median top wage of \$19.89. Adopting the Fact Finder's recommendation would help to restore some equity to the Dispatchers and bring them closer to what is generally paid in the region.

The City is able to afford the \$.35 per hour. Its \$1.4 million 2012 unencumbered balance was approximately 17% of total general fund expenditures, meeting or exceeding the Government Finance Officers Association's (GFOA) recommendation of a two (2) month reserve. Additionally, the 2013 unencumbered balance of almost \$2.4 million equalled 24% of general fund expenditures, or a reserve of nearly three (3) months. There is little difference between the Union's and City's proposals. The \$.35 per hour would increase costs by approximately \$6500 in 2014, according to the Union's calculations. This would equate to less than \$20,000 over the three (3) years of the contract. Even using the City's figure, which took into account overtime, it would cost less than \$30,000 over the three (3) years, or less than \$10,000 per year. Further, in the last three (3) years, the City has expended less money on the bargaining unit

than it has appropriated, returning the balance to the general fund. The balance returned in 2013 alone, over \$32,000, would pay for the increase.

OAC 4117-9-7 provides the factors the Conciliator must consider, which includes other factors traditionally used in collective bargaining. Those other factors include giving deference to a fact finder's report considering the experience and expertise of the fact finder, the persuasiveness of the report, the quality of the parties' presentations at the fact finding hearing, and the grounds asserted for challenging the recommendation of the fact finder. The Union accepted the report. Judge Griffin noted the financial health of the City and the substantial pay disparity between the City's Dispatchers and those in the region. He concluded the Dispatchers should receive the increase after taking the City's concerns into consideration. He did so even though it was unclear the extent to which other benefits such as longevity pay, paid lunch and other breaks, educational benefits, and certain premiums received when performing certain functions leveled the playing field.

Even taking these other benefits into account, the Dispatchers remain underpaid. For example, the City provides an educational bonus of \$125 for 30 semester hours or \$250 for an associate's degree. Fremont pays \$250 for an associate's degree and \$500 for a bachelor's. Norwalk provides \$250 for an associate's degree, \$400 for a bachelor's, \$600 for a master's, and \$750 for a doctorate. Bellevue gives a bonus of a one (1) time payment of \$300 for an associate's degree and \$900 for a bachelor's. Fostoria, Bucyrus, Clyde, and Willard do not have an education bonus. The City provides longevity pay, beginning with 2% of base salary after 4 years, rising to 10% of base pay after 20 years. Fostoria provides 2% after 5 years up to 8% after 20 years.

Bucyrus pays \$15 per month for every 3 years of service up to a maximum of \$120 per month, while Clyde pays \$90 per year of service and Willard pays \$60 per year of service. Bellevue begins paying \$.30 per hour for 3 years of service up to \$1 per hour for 30 years. Fremont and Norwalk do not have longevity pay.

Additionally, Tiffin provides 80 hours of vacation for 1-4 years of service with employees reaching a maximum of 200 hours after 25 years. Fremont gives 80 hours for employees with 1-5 years up to 200 hours for 18 or more years. Norwalk and Fostoria give 80 hours for 1-7 years, while Norwalk gives 200 hours for 22 or more years and Fostoria 240 after 25 years. Bucyrus starts at 80 hours for 1-5 years and maxes out at 200 for 25 years and Bellevue 80 for 1-6 years with a maximum of 200 after 20 years, plus 8 hours for each year over 20. Clyde provides 80 hours for 1-7 years up to 200 for 20 years, while Willard starts at 48 hours after a year up to 240 after 25 years.

Further, the Dispatchers receive a paid lunch hour and two (2) 15 minute breaks. The unit has a TAC Officer and TAC Assistant who are paid \$.50 and \$.25 per hour, respectively, for working on LEADS, a law enforcement computer system. Dispatchers are paid an additional \$.50 per hour when training a new dispatcher or police officer. Each of the comparables provide paid breaks, though only 30 minutes for lunch. Additionally, Bucyrus pays \$.15 per hour for working on LEADS, doing TAC work, and being a notary public. Fremont pays \$250 per year TAC pay, while Fostoria pays \$.25 per hour. In short, while the City is more generous than some and less generous than others, these other benefits do not bring the Dispatchers in line with others in the region overall and they remain underpaid.

Position of the City: From 2008 until recently, the City experienced a financial crisis. Other than the Dispatchers who received a \$.50 per hour increase in 2012, no City employees have received a wage increase. Non-bargaining unit hourly employees had their hours reduced by 2.5 hours, while salaried employees received a 7% reduction in wages. In 2011, these cuts were restored, but employees were not made whole for the losses. Further, the City worked hard to reduce expenses, resulting in significant belt-tightening, including layoffs.

The City acknowledges the sacrifices its employees have made. It recognizes its cost cutting has given it a carryover and it is time for an increase. It proposed a 3% increase for each year of the three (3) year contract to all bargaining units and its non-bargaining employees. The OPBA Sergeants, Lieutenants, and Patrol Officers as well as the AFSCME unit accepted and ratified the 3% a year. Giving an additional \$.35 per hour to the Dispatchers would contradict this pattern bargaining and cause resentment in other units. The City has told all employees that 3% is the most it could offer. Seeing the Dispatchers receive more could cause morale problems and create a lack of trust in the City for going back on its word. It would also encourage other units to hold out and go to fact finding to get more. Additionally, there has been uniformity in wage increases and health insurance, even with non-bargaining employees. In making wage increase recommendations, priority should be given to the history of the dispatch unit's pay increases relative to other City employees.

Additionally, while the City has a carryover, not all of it is available for wage increases. The City has put off capital improvements and needs to address several projects. Although the City has received grants for a handful of street, bridge

replacement, and building demolition projects, its contribution will be approximately \$1.5 million. And to retain its A1 bond rating from Moody's, it needs a carryover balance of 15% of revenues. Other cities with an A1 rating have reserves of approximately 30% of revenues. Further, the GFOA recommends a carryover of two (2) months' expenses. While the City has experienced an increase in revenues in 2013, its expenses are also increasing and total revenue will be affected by the elimination of the estate tax and a reduction in local government funding. The State of Ohio is also considering income tax changes that would further reduce revenues.

While the City acknowledges that the Dispatchers' starting pay is lower than other cities, it has done what it can to bring their pay in line. It gave a \$.50 per hour increase in 2012 when other employees received nothing. Additionally, they are the only Union employees who have a one (1) hour paid lunch period. They also receive two (2) fifteen (15) minute break periods. Other dispatchers do not receive such paid breaks and this makes their pay differential less than would otherwise seem comparing just starting pay. Further, the City employs seven (7) Dispatchers who work five (5) eight (8) hour days with permanent days off. Comparable cities do not employ as many dispatchers, which allows them to pay their dispatchers more, and their schedules are not as fixed as Tiffin's, requiring them to work longer days and over weekends and holidays. This should be taken into account when comparing wage rates.

Findings: There is no dispute that the Dispatchers starting pay is lower than comparable cities. The City acknowledges this, having provided a \$.50 per hour increase to them only in 2012, and the evidence supports it. While readily admitting it is difficult to find a close comparable in the surrounding region, the Union points to a

number of cities as comparable, including Bellevue, Bucyrus, Clyde, Fostoria, Fremont, Norwalk, and Willard. In the Fact Finder's view, comparability includes an element of geography such that a comparable community would compete for employees. Since all six (6) cities are within 25 miles, they could compete for employees. Bellevue (8,100), Clyde (6,300), and Willard (6,200), though, are not even half the population of Tiffin, so they are not as close a match. Put simply, the Fact Finder concludes that Bucyrus (12,100), Fostoria (13,300), Fremont (16,600), and Norwalk (16,900) are the best comparables to use. The starting wage for the Dispatchers, \$12.48, is the lowest among all the comparables suggested by the Union. The starting wage for Bucyrus, Fostoria, Fremont, and Norwalk range from \$13.89 to \$18.19. The top level wage for Tiffin, \$16.46, is lower than all but that of Bucyrus, \$15.09, while Fostoria, Fremont, and Norwalk are at \$21.18, \$20.24, and \$19.23, respectively. Adding in twenty (20) years of longevity does not change the picture. Tiffin, at \$18.11, remains the lowest of all but Bucyrus, \$15.78, with Fostoria, Fremont, and Norwalk at \$22.87, \$20.74, and \$19.23, respectively. Even including the \$.35 per hour and 3% increases puts Tiffin at \$19.04, still lower than Fostoria, Fremont, and Norwalk. Wage rates do not provide the entire picture, though. There are other items, such as shift differential, holidays, personal days, education bonus, longevity, vacation, TAC pay, and so forth, that put additional money into employees' pockets. The evidence showed that the City provides more to its Dispatchers than the comparables when it comes to some of these items, but less on other items. It is not clear that these make up for the lesser wage rates. In the end, the Dispatchers are underpaid based on the surrounding communities.

Furthermore, the Conciliator is of the opinion, and has indicated so in other awards, that he should give deference to the Fact Finder's report considering his or her experience, the persuasiveness of the report, the quality of the parties' presentations at the fact finding hearing, and the grounds asserted for challenging the recommendation of the Fact Finder. Judge Burt Griffin was the Fact Finder. While not the most experienced Fact Finder, Judge Griffin has been on the panel for several years and written a handful of reports. Additionally, he was a well respected Cuyahoga County Common Pleas Court judge for decades and presided over numerous trials, lending credibility to his findings. Judge Griffin examined the financial health of the City and compared the pay disparity between the City's Dispatchers and those in the region. He examined the effect other factors such as paid breaks, longevity pay, education bonuses, and other premiums had on the overall pay. Judge Griffin concluded the Dispatchers should receive the increase after taking the City's concerns into consideration. Furthermore, the parties were represented by the same counsel at the fact finding and conciliation. The information discussed by the Fact Finder indicates that the presentations made at fact finding were thorough. The Conciliator notes that the presentations made by the parties to the Conciliator were excellent, adding to his confidence in the quality of the fact finding presentations. Finally, the City has pointed to no error made by the Fact Finder in his report. Based on this record, the Conciliator sees no reason to overturn the recommendation of Judge Griffin. As noted above, based on what was presented to him, the Conciliator reaches the same conclusion.

Recommendation: Adopt the recommendation of the Fact Finder and award the Dispatchers a \$.35 per hour increase effective January 1, 2014 in addition to the 3% increase.

Dated: April 3, 2014



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Daniel G. Zeiser
Fact Finder