

STATE OF OHIO
STATE EMPLOYMENT RELATIONS BOARD

STATE EMPLOYMENT
RELATIONS BOARD

2001 SEP 12 A 10:59

In the Matter of)
Fact-Finding Between:)

CITY OF LYNDHURST)

Case No. 00-MED-10-1073

-and-)

Jonathan I. Klein,
Fact-Finder

LYNDHURST FIRE FIGHTERS,
INTERNATIONAL ASSOCIATION OF
FIRE FIGHTERS, LOCAL 1676)

FACT-FINDING REPORT
and
RECOMMENDATIONS

Appearances

For Union:

James P. Astorino - President, NOFF
Tom Hanculak - Attorney for Union
Scott Maynor - President, Local 1676
Pat Antonelli - Firefighter/Paramedic
Dan Isaac - Firefighter

For Employer:

Frank W. Buck - Attorney for Employer
Shannon K. Patton - Attorney for Employer
Anthony Ianiro - Finance Director

Date of Issuance: September 11, 2001

I. PROCEDURAL BACKGROUND

This matter came on for hearing on August 31, 2001 before Jonathan I. Klein, appointed as fact-finder pursuant to Ohio Rev. Code Section 4117.14, and Ohio Admin. Code Section 4117-9-05, on December 1, 2000. The hearing was conducted between the City of Lyndhurst (“City” or “Employer”), and the Lyndhurst Fire Fighters, International Association of Fire Fighters, Local 1676 (“Union”), at the Lyndhurst City Hall located in Lyndhurst, Ohio. The bargaining units involved in the fact-finding process consists of approximately twenty-four fire fighters, including fire captains, fire lieutenants, fire fighters and fire fighters certified as paramedics.

The unresolved issues as set forth in the Union’s position statement are as follows:

- 1. Article XXVII - Hospitalization
- 2. Article XXVIII - Overtime Pay
- 3. Article XXXIII - Holiday Credits
- 4. Article XXXV - Salaries and Other Compensation
- 5. Article XXXVI - Vacations

The unresolved issues as contained in the Employer’s Brief in Support of Statement of Open Issues on Behalf of the City of Lyndhurst, Ohio, are as follows:

- 1. Hours of Work
- 2. Article XXVII - Hospitalization
- 3. Article XXXIII - Holiday Credits

The fact-finder incorporates by reference into this Report and Recommendation all resolved issues and tentative agreements between the parties relative to the current negotiations. In making the recommendations which follow, the fact-finder has reviewed the arguments and

evidence presented by the parties both at hearing, and in their respective position statements and briefs.

II. FACT-FINDING CRITERIA

In the determination of the facts and recommendation contained herein, the fact-finder considered the applicable criteria required by Ohio Rev. Code Section 4117.14(C)(4)(e), as listed in 4117.14(G)(7)(a)-(f), and Ohio Admin. Code Section 4117-9-05(K)(1)-(6). These fact-finding criteria are enumerated in Ohio Admin. Code Section 4117-9-05(K), as follows:

- (1) Past collectively bargained agreements, if any, between the parties;
- (2) 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;
- (3) 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;
- (4) The lawful authority of the public employer;
- (5) Any stipulations of the parties;
- (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.

III. FINDINGS OF FACT AND FINAL RECOMMENDATIONS

Introduction

The City of Lyndhurst is a statutory city located in northeast Ohio less than five miles from the border of Cleveland, Ohio, and has a population of approximately 16,000 residents. It is bordered by the cities of South Euclid, Richmond Heights, Highland Heights, Mayfield Heights, Pepper Pike and Beachwood. According to the City, it has proposed an exceptional compensation and benefits package that affords the fire fighters both a pay increase well beyond the norm, together with a reduction in their work hours. The Union counters that the contract proposed by the City is a good package, but it is the same package which has been offered to other bargaining units. As a result, the parties are unable to agree on several key issues which are discussed in this Fact-Finding Report and Recommendations.

Upon review of the comparable jurisdictions offered by both parties, the fact-finder determines that the following cities will be referenced for comparability purposes throughout this fact-finding report: University Heights, Mayfield Heights, Highland Heights, Richmond Heights, South Euclid and Beachwood. In determining that the aforementioned jurisdictions are comparable to the City, the fact-finder specifically notes that the parties have historically utilized these so-called "Hilltop communities" as comparables during collective bargaining negotiations.

Issue 1: Hospitalization

The City has proposed several changes to Article XXVII of the collective bargaining agreement, one of which involves the application of premium caps. Specifically, the City proposes that Article XXVII should be amended to include the following language:

Section 5. If the monthly premiums for the United Health Care plan (or its equivalent if a different carrier is selected) exceed \$201.10 for single coverage or \$537.50 for family coverage on or after January 1, 2001 through January 31, 2003 or \$211.15 for single coverage and \$564.38 for family coverage on or after February 1, 2003, employees will contribute one-half of the excess premiums over those amounts toward the cost of such coverage, up to a maximum employee contribution of \$50 per month.

The City's position regarding premium caps is designed to address exorbitant increases in insurance costs, and is not intended to force bargaining unit employees to assume the cost of their own health care premiums. According to the City, the cost of health care is "everyone's problem." The City acknowledges that the bargaining unit has been cooperative in the past regarding the issue of health care, and its proposal is intended to maintain an incentive for the parties to work together. Furthermore, it is essential for the City to develop a single approach to the health care issue. The City points out that each of the internal bargaining units except the Union have agreed to the same contractual terms regarding health care which were presented by the City at the fact-finding hearing. Additionally, the City argues that its proposal does not present an undue burden for employees and their families. It points out that although the previous contract provided that it would assume the full cost of health care premiums, the parties

expressly acknowledged in Article XXVII, Section 3 of the current collective bargaining agreement that premium caps and employee contributions might become necessary in the future as a means of controlling health care costs.

The City further points out that its proposal provides for a “cushion” of fifteen percent before the employees’ responsibility to make contributions toward the cost of their health care premiums would even be triggered. Furthermore, the premium caps are increased on February 1, 2003, and employees would not be required to pay for hospitalization unless the City experiences significant premium increases of over twenty percent during a two year period. Moreover, the City argues that its proposal also provides a high degree of protection for employees due to a maximum employee contribution of fifty dollars per month. Finally, the City asserts that the reasonableness of its proposal is supported by the fact that over seventy percent of public employees in Ohio are currently paying for health care benefits. The City points out that a fact-finder recently recommended the institution of employee premium contributions by patrol officers employed by the City of South Euclid. For each of the aforementioned reasons, the City requests that the fact-finder should dismiss the Union’s unreasonable position and recommend the City’s proposal.

The Union believes that the premium contribution level of \$201.10 for single coverage and \$537.50 for family coverage as proposed by the City is too low. The Union proposes that Article XXVII, Section 5 of the of the new collective bargaining agreement should provide as follows:

If the monthly premiums for the health care plan exceed \$250.00 for single coverage or \$675.00 for family coverage on or after January 1, 2001 through January 31, 2003 or \$275.00 for single coverage or \$745.00 for family coverage on or after February 1, 2003, employees will contribute one-half of the excess premiums over those amounts toward the cost of such coverage, up to a maximum employee contribution of \$50 per month.

In support of its position, the Union argues that some health care costs, such as co-pays for office and emergency room visits and prescription costs, have already been transferred to the bargaining unit employees due to changes implemented through the joint health care task force. Furthermore, an eight-year history of the City's health care costs demonstrates the effectiveness of the health care task force. The Union points out that the City will save over \$8,000 per month as a result of the agreement by the bargaining units, including the Union, to switch from Medical Mutual insurance plans to United Health Care. According to the Union, the aforementioned savings realized by the City should have been more than sufficient. The Union argues that the City should not be allowed to reap the benefits of the health care task force and then implement a low contribution level. There will be a chilling affect on the employees' willingness to cooperate with the health care task force in the event that the City is permitted to implement such a low contribution level.

In further support of its position, the Union points out that fire fighters employed by only one other comparable city, Mayfield Heights, are subject to health care premium caps, and police officers employed by four out of the seven comparable cities have no language regarding health care premium caps in their respective collective bargaining agreements. The Union also argues

that the City's "consistency" argument is without merit for the reason that there has been no change to the hospitalization plans for the City's administrative employees. Additionally, the Union cites a Fact-Finding Report and Recommendation issued by this fact-finder in Fraternal Order of Police, Lodge #15 -and- City of Strongsville, 94-MED-09-0852; 94-MED-09-0853 (1995), in support of the proposition that the bargaining unit members have already accepted some health care costs, and therefore, should not incur a monthly health care premium. Finally, the Union proposes that the City establish an IRS 125 Plan for health care and child care costs.

Findings and Final Recommendations

It is the final recommendation of the fact-finder that Article XXVII of the collective bargaining shall be amended to include the following language:

Section 5. If the monthly premiums for the United Health Care plan (or its equivalent if a different carrier is selected) exceed \$201.10 for single coverage or \$537.50 for family coverage on or after January 1, 2001 through January 31, 2003 or \$211.15 for single coverage and \$564.38 for family coverage on or after February 1, 2003, employees will contribute one-half of the excess premiums over those amounts toward the cost of such coverage, up to a maximum employee contribution of \$50 per month.

Additionally, Article XXVII, Section 2 shall refer to the United Health Care plan rather than managed care plans from Medical Mutual of Ohio, and the third and fourth sentences contained in Article XXVII, Section 4 shall be deleted. The fact-finder further recommends the Union's proposal that a qualifying cafeteria plan be established for bargaining unit employees

with respect to health care benefits pursuant to Title 26, Subtitle A, Chapter 1, Subchapter B, Part III, Section 125 of the Internal Revenue Code.

In recommending the aforementioned contract language regarding health care premium caps, the fact-finder specifically notes that Article XXVII, Section 4 of the current collective bargaining agreement provides, in part, as follows: “However, the City and the Union expressly acknowledge that other cost containment measures, such as premium “caps” and employee contributions, may be necessary in future agreements based on those negotiations.” Thus, the parties clearly anticipated that language such as that proposed by the City during the current contract negotiations may become part of future collective bargaining agreements. The fact-finder further notes that a SERB health care report for the year 2000 indicates that almost seventy percent of public employees contribute to the cost of their medical insurance, and sixty-five percent of employers who responded to the SERB survey require their employees to pay a portion of the cost of a family medical plan. (City Ex. 11). Additionally, fifty-one percent of employers require premium sharing for single health care coverage. (City Ex. 11). The fact-finder concludes that the City’s proposal is not unreasonable under the facts and circumstances which currently exist generally in the public sector pertaining to health insurance. Significantly, the fact-finder notes that every other internal bargaining unit has agreed to the City’s proposed health care contract language, and the recommendation that the parties’ new collective bargaining agreement should also contain such language is appropriate from the standpoint that health care benefits will be provided to all unionized City employees at a uniform cost level.

Based upon the evidence presented, the fact-finder further concludes that the Union has presented no evidence that the City's proposal represents an undue burden on the bargaining unit employees. The Union has presented no evidence that would indicate the existence of a trend in health care costs which would trigger a substantial contribution by an employee toward the cost of his or her monthly health care premium. The record establishes that the monthly cost for single health care coverage under the current United Healthcare plan is approximately \$171.00, and the cost of family coverage is approximately \$470.00 per month. Under the recommended contract language, an employee's obligation to contribute one-half of the monthly premium cost is triggered only in the event that monthly premiums exceed \$201.10 for single coverage or \$537.50 for family coverage on or after January 1, 2001 through January 31, 2003, or \$211.15 for single coverage and \$564.38 for family coverage on or after February 1, 2003.

Thus, the fact-finder determines that the recommended contract language provides for a "cushion" in health care premium increases of approximately 17.6 or 14.3 percent above the current cost of UnitedHealthcare coverage, depending upon whether an employee has single or family coverage, before an employee is required to make contributions toward the cost of his or her health care premiums during the contract period prior to February 1, 2003. On or after February 1, 2003, the health care premium increase "cushion" is approximately 23.5 or 20 percent above the January 1, 2001 premium levels, depending upon the type of an employee's coverage. The evidence reveals that under the facts and circumstances presented in this case,

such a cushion substantially insulates an employee from the requirement that he or she contribute to the cost of their monthly health care premiums.

The SERB health care report for the year 2000 indicates that health care premiums increased 10.7 percent between 1999 and 2000 for both single and family health care coverage.¹ However, that was the first double-digit annual increase in health care premiums since 1992. Assuming that health care premiums for the bargaining unit employees increased by 10.7 percent for the year 2002, the monthly premium for single coverage would be approximately \$189.00 ($\$170.97 \times 1.107 = \189.26), and the monthly premium for family coverage would be approximately \$520.00 ($\$470.17 \times 1.107 = \520.48) during that year. Under the aforementioned scenario, bargaining unit employees would not be required to contribute to the costs of their monthly health care premiums during 2002 because the monthly premium amounts would still be lower than the amounts which trigger employee premium contributions as set forth in the recommended contract language.

Assuming that the monthly health care premiums increased by another 10.7 percent for the year 2003, the monthly premium for single coverage would be approximately \$210.00 ($\$189.26 \times 1.107 = \209.51). Thus, employees with single health insurance coverage would not be required to contribute to the cost of their monthly health insurance premiums during 2003

1. The 10.7 percent figure represents a state-wide increase in health care premiums. For the Cleveland region, the increase was 8.7 percent for single coverage and 9.0 percent for family coverage for 1999-2000. For jurisdictions with populations of less than 25,000 residents the increase was 10.6 percent for single coverage and 11.5 percent for family coverage.

because the premium cap is increased to \$211.15 for single coverage beginning on February 1, 2003 under the recommended terms of the new contract. Furthermore, bargaining unit employees with family health insurance coverage would contribute less than \$6.00 per month toward the cost of their monthly health insurance premiums after February 1, 2003. ($\$520.48 \times \$1.107 = \$576.17 - \$564.38 = \$11.79 / 2 = \5.90).

Issue 2: Hours of Work

The Union proposes to change the workweek from 52 hours per week to 49.8 hours per week. Accordingly, Article XXVIII of the collective bargaining agreement entitled "Overtime Pay," should provide as follows:

Overtime hours shall be defined as those hours worked in excess of 192 hours during a 27-day period. Overtime hours shall be compensated at a rate determined by dividing the employees annual base rate including paramedic pay and longevity, if applicable, by 2589 hours except for the employee serving as Fire Prevention Officer whose annual base rate shall be divided by 2080 hours and shall be paid for at the rate of time and one-half times the rate so determined for the individual in accord with Ordinance 85-60. The Chief of Fire shall determine the appropriate cycle in accordance with an average workweek of 49.8 hours. Vacation, holidays, and sick leave during any portion of a work period shall be counted for the purpose of determining the existence of any overtime worked during that period.

The Union argues that its proposal is reasonable and should be recommended by the fact-finder for the following reasons. During the last contract negotiations, the police unit received a substantial pay increase which destroyed the relationship between the police officers and the

firefighters as it relates to compensation. The Union points out that the net hourly rate of pay for firefighters was thirty percent less than the net hourly rate of pay for police officers in 1997. However, the net hourly rate of pay differential between firefighters and police officers has increased in the past three years to almost thirty-eight percent. The Union argues that a reduction in the workweek will restore the thirty percent net hourly wage rate differential. It emphasizes that the City's firefighters currently work approximately six hundred more hours per year than police officers employed by the City. According to the Union, the firefighters and police officers should be treated equally by the City, and the Union desires to restore the past relationship.

The Union further argues that the county-wide trend has been a reduction in the workweek, although communities in the Hilltop area have been slow to reduce the number of hours which comprise a workweek. However, firefighters employed by Cleveland Heights and Richmond Heights recently received workweek reductions. The record reveals that firefighters employed by comparable jurisdictions work an average of 2562 net hours per year and 49.3 net hours per workweek. The Union asserts that its proposal regarding the workweek reduction will not have a large impact on the hourly wage rate for firefighters, and the City's proposed 51.7 hour workweek will not result in an economic benefit for the bargaining unit employees under the current schedule utilized by the City.

The City proposes to reduce the number of hours which firefighters work in an average workweek from 52 hours to 51.7 hours. According to the City, a 0.30 hour reduction to the workweek translates into a 0.58 percent wage rate increase. The City asserts that its wage and

hour proposal is a very generous package which would place the City's firefighters above firefighters employed by every comparable city except Beachwood with respect to total pay and actual hourly rate of pay. (City Ex. 3 and 4). County-wide the firefighters employed by the City would rank third in regard to total compensation according to the statistics provided by the City. (City Ex. 5). The City argues that the Union's proposal is both unreasonable and greedy, and it points out that its firefighters would be the highest paid firefighters without exception in the Hilltop area under the Union's proposal.

Additionally, the City contends that it may be forced to hire an additional firefighter in the event that the Union's proposed workweek reduction is accepted by the fact-finder. The City acknowledges that its firefighters work more hours per week than firefighters employed by comparable cities, however, they receive a higher level of compensation. The Union simply cannot articulate a rational basis for its unreasonable demands, and the City requests that the fact-finder should decline to adopt the Union's proposal.

Findings and Recommendations

It is the fact-finder's final recommendation that the number of hours which firefighters employed by the City work in an average workweek should be 51.7 hours. The fact-finder's decision is supported by the statistical data concerning the number of hours in a workweek for firefighters who are employed by comparable cities. The record establishes that the number of hours which comprise a workweek for the aforementioned firefighters are as follows:

<u>City</u>	<u>Hours per workweek</u>
Highland Heights	53
South Euclid	52
University Heights	52
Mayfield Heights	52
Richmond Heights	51.7
Beachwood	51.7

It is clear that a 51.7 hour workweek compares favorably to the length of the workweek for firefighters employed by comparable cities. The fact-finder notes that not one of the comparable cities affords their firefighters a workweek which is comprised of under fifty hours. Additionally, the fact-finder notes that a 51.7 hour workweek translates into an additional wage rate increase for the firefighters as discussed in the following section regarding the issue of compensation. Based upon the evidence presented at the hearing, the fact-finder concludes that the Union has failed to present sufficient evidence which would warrant the recommendation of its proposed work week reduction.

Issue 3: Holiday Credits

Article XXXIII of the collective bargaining agreement entitled “Holiday Credits,” currently provides as follows:

Each member of the bargaining unit shall be entitled to five and one-half (5-1/2) tours of duty Holiday Credits throughout the year. Such holiday credits, or time off allowed in lieu thereof, shall be fixed and determined by the Mayor or his authorized representative, who shall make provisions for such Holiday Credits

consistent with the proper administration of the department. Upon retirement, unused Holiday Credits shall be treated as unused vacation time.

The Union proposes to add the following language to Article XXXIII of the collective bargaining agreement:

Effective January 1, 2002 each member of the bargaining unit shall be entitled to seven and one-half tours of holiday credits. Effective January 1, 2003 each member of the bargaining unit shall be entitled to nine and one-half tours of duty holiday credit.

Any employee working on Memorial Day (observed), Independence Day (observed), Labor Day, Thanksgiving Day, Christmas Eve, or Christmas Day, shall be compensated at the rate of one and one-half (1-1/2) the employee's regular hourly rate of pay in addition to the holiday credits.

The Union proposes to increase the number of holiday credits afforded firefighters in order to correct the growing disparity in the net hourly rate of pay between the firefighters and police officers employed by the City. The Union desires to restore the relationship between the fire and police departments which existed in 1997 as it concerns compensation. According to the Union, its proposal will reduce the workweek without increasing the overtime rate, and is a cost effective method which may be utilized to address the disparity in the wage rate between the City's firefighters and police officers. The Union further points out that police officers employed by the City already receive overtime compensation for the six holidays which the Union seeks overtime compensation for its bargaining unit employees. The Union is simply seeking the same benefit which is afforded by the City to the police officers. In support of its position, the Union

points out that the firefighters employed by the City are the only firefighters employed by a Hilltop community who do not receive holiday pay.

The City rejects the Union's proposal regarding additional holiday credits for the following reasons. First, the City contends that its comprehensive wage and hours package will place the firefighters among the highest paid in the area, and the Union's demands are unreasonable. Second, the City asserts that the amount of time off requested by the Union through a reduced workweek and an additional ninety-six hours of holiday credits per year represents the equivalent of two additional firefighters. At a cost of approximately \$70,000 for each new firefighter, the cost of the Union's proposal to the City is the equivalent to a six percent wage rate increase. Third, the City asserts that its firefighters receive an adequate amount of time off as compared to their counterparts employed by comparable cities in the hilltop area.

Findings and Recommendations

At the fact-finding hearing, the City acknowledged that it does not contest the matter of holiday compensation for those firefighters who actually work on a holiday. Additionally, the parties agreed to provide contract language to the fact-finder concerning the issue of holiday compensation. Accordingly, it is the fact-finder's final recommendation that such language as provided by the parties shall be incorporated into Article XXXIII of the new collective

bargaining agreement.² The fact-finder further recommends that Article XXXIII of the new collective bargaining agreement contain the following language as Section 1:

Each member of the bargaining unit shall be entitled to six (6) tours of duty Holiday Credits throughout the year. Such holiday credits, or time off allowed in lieu thereof, shall be fixed and determined by the Mayor or his authorized representative, who shall make provisions for such Holiday Credits consistent with the proper administration of the department. Upon retirement, unused Holiday Credits shall be treated as unused vacation time.

The aforementioned contract language recommended by the fact-finder is supported by an analysis of the holiday/personal leave hours which are afforded to firefighters who are employed by comparable cities in the Hilltop area as compared to the number of such hours provided to the bargaining unit firefighters. The record reveals that firefighters employed by the City and comparable jurisdictions currently receive the following holiday/personal leave hours per year:

<u>City</u>	<u>Holiday/Personal Leave Hrs.</u>
Mayfield Heights	168
Highland Heights	168
Richmond Heights	144
University Heights	144
South Euclid	140
Lyndhurst	132
Beachwood	120

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2. The parties agreed upon the following language as a new Section 2 in Article XXXIII of the collective bargaining agreement:

Any employee working on the shift that begins on Memorial Day (observed), Independence Day (observed), Labor Day, Thanksgiving Day, Christmas Eve, or Christmas Day, shall be compensated at the rate of one and one-half (1-1/2) the employee's regular hourly rate of pay in addition to the holiday credits.

It is clear that firefighters employed by the City receive less holiday/personal time off per year than virtually all other firefighters who are employed by comparable cities. As a result of increasing the number of annual holiday credits which are provided to the City's firefighters from five and one-half tours of duty to six tours of duty, which is the equivalent of a twelve hour increase, the firefighters will rank in the middle of the Hilltop communities regarding the number of such leave hours. Based upon the evidence presented at the hearing, the fact-finder determines that such a ranking is reasonable under all the facts and circumstances presented. Additionally, the City has not demonstrated that such an increase in holiday leave hours is financially unfeasible, or that such an increase will adversely effect its ability to comply with minimum manning requirements.

Issue 4: Wages

The wage rate for firefighters employed by the City is set forth in Article XXXV of the collective bargaining agreement entitled "Salaries and Other Compensation." The Union proposes that Article XXXV should be modified to reflect the following wage rate increases:

2001 - six percent
2002 - six percent
2003 - six percent

According to the Union, its proposal will correct the wage rate disparity between the City's firefighters and police officers that was created during the term of the last contract which provided patrol officers with annual six percent wage rate increases from 1998 through 2000.

The Union argues that it has “lost” the paramedic bonus for firefighters due to wage rate increases afforded to the City’s police officers. It reasons that in 1997, the annual base wage for a patrol officer was only \$335.00 higher than the annual base wage for a firefighter. However, the annual wage rate disparity between the two positions has increased to \$3,183.00 for the year 2000. The Union’s proposal will reduce the annual wage rate disparity so that firefighters would receive a base wage rate in 2003 which is \$449.00 less per year than the base wage rate for patrol officers employed by the City.

The Union further claims that firefighters employed by the City ranked 14th in Cuyahoga County in 2000 regarding their annual salary. However, the City’s firefighters worked more hours than other firefighters and were compensated at the rate of \$20.28 per hour in 2000, which is among the lowest hourly wage rate for firefighters employed by cities located in Cuyahoga County. The Union acknowledges that the City has offered a good compensation package, however, the pay differential between paramedics and patrol officers has been eliminated. The Union argues that very few cities provide the same compensation to both paramedics and patrol officers. Paramedics and patrol officers cannot properly be equated due to the different duties and responsibilities of the positions, and the certification requirements for paramedics. For each of the aforementioned reasons, the Union argues that its proposal is reasonable and should be recommended by the fact-finder.

The City has proposed the following wage rate increases for the term of the new collective bargaining agreement:

2001 - 5.705 percent

2002 - 4 percent

2003 - 4 percent

The City asserts that its wage package is exceptional and represents a 14.285 percent wage rate increase over the term of the new three-year contract, and the 2001 wage rate increase of 5.705 percent well exceeds the wage rate increases received by firefighters employed in the surrounding Hilltop communities. The City argues that its wage and hours proposal is both fair and reasonable, and will place the City's firefighters above nearly all firefighters employed in the surrounding area regarding annual wages. Only Beachwood, one of the most affluent municipalities in the state, consistently pays higher wages to its firefighters. According to the City, its proposal goes beyond the norm, and there can be no compromise in this case.

The City's wage rate proposal also seeks to restore the equilibrium between the fire and police departments. The City acknowledges that the police officers achieved an unusually large wage increase during the last round of negotiations. However, the wage package proposed by the City brings the Union in line dollar for dollar with their patrol unit counterparts. The City points out that the firefighters have generally fared better than the police officers regarding wage increases until the last contract, and the police officers have already agreed to annual wage rate increases of four percent over the next three years. For each of the aforementioned reasons, the City requests that the fact-finder should recommend its proposed compensation package.

Findings and Recommendations

Based upon the record, the fact-finder concludes that the City's wage rate proposal is both reasonable and appropriate, and recommends that Article XXXV of the new collective bargaining agreement entitled "Salaries and Other Compensation," should be amended to provide, in pertinent part, as follows:

Section 1. Annual Base Pay. The annual base pay for employees covered by this Agreement shall be as follows:

	Effective 1/1/01	Effective 1/1/02	Effective 1/1/03
Captain/FPO	60,858.00	63,292.00	65,824.00
Captains	60,562.00	62,984.00	65,503.00
Lieutenants	55,058.00	57,260.00	59,550.00
Fire Fighter (2 years or more)	50,051.00	52,053.00	54,135.00
Less than two more than one	45,864.00	47,699.00	49,607.00
Less than one year, more than six months	41,697.00	43,365.00	45,100.00
Less than six months	39,017.00	40,578.00	42,201.00

The fact-finder bases his recommendation concerning the wage rate upon the following factors. First, the record presented at the hearing indicates that the most recent wage rate increases received by firefighters employed by comparable cities are as follows:

City	Year	Wage Rate Increase
University Heights	1999	5.00 %
	2000	4.00 %
	2001	4.00 %
Mayfield Heights	2000	4.25 %
	2001	4.25 %
	2002	4.25 %
Highland Heights	2001	4.00 %
	2002	4.00 %
	2003	4.00 %
Richmond Heights	2001	4.00 %
	2002	4.00 %
	2003	4.00 %
South Euclid	2000	4.00 %
	2001	4.00 %
	2002	4.00 %
Beachwood	1999	4.00 %
	2000	4.00 %
	2001	3.50 %

(City Exhibit No. 2).

The record clearly reveals that the recommended annual wage rate increases of 5.705 percent in 2001, 4 percent in 2002 and 4 percent in 2003 are comparable to the recent wage rate

increases afforded firefighters employed by comparable jurisdictions. Additionally, the fact-finder specifically notes that the wage rate increase of 5.705 percent for the first year of the new contract is higher than any wage rate increase recently provided to firefighters employed by the aforementioned comparable cities.

The fact-finder further determines that the City's wage rate proposal, combined with the recommended 51.7 hour average workweek and an increase in the number of holiday leave hours previously discussed herein, will allow the City's firefighters to improve their relative standing compared to other Hilltop communities in regards to compensation. An exhibit entitled "2000 Cuyahoga County Wage Comparison," which was provided by the Union at the fact-finding hearing reveals the following compensation data for the Hilltop communities:

City	Total 2000 Salary	Hourly Wage Rate
Beachwood	\$52,427.00	\$21.63
Highland Heights	\$50,587.00	\$21.00
Mayfield Heights	\$50,340.00	\$20.83
South Euclid	\$49,778.00	\$20.37
Lyndhurst	\$49,718.00	\$20.28
Richmond Heights	\$48,835.00	\$20.25
University Heights	\$47,809.00	\$19.40

Based upon the evidence presented at the hearing and the recommendations contained in this fact-finding report, which include the City's wage rate proposal, an average workweek of 51.7 hours and an increase in the annual holiday/personal leave hours from 132 to 144, five-year firefighters employed by the City will compare as follows to five-year firefighters employed by comparable cities in 2001:

City	Total 2001 Salary	Hourly Wage Rate
Beachwood	\$53,800.00	\$22.19
Lyndhurst	\$53,605.00	\$22.11
Highland Heights	\$52,774.00	\$21.92
Mayfield Heights	\$52,894.00	\$21.89
Richmond Heights	\$52,167.00	\$21.52
South Euclid	\$52,424.00	\$21.45
University Heights	\$50,743.00	\$20.80

Thus, the City's five-year firefighters will receive a higher annual salary and hourly wage rate than firefighters employed by each of the comparable jurisdictions except for those five-year firefighters employed by the City of Beachwood. The evidence of record similarly reveals that the City's fifteen-year fire fighters will also be compensated at both an annual and hourly rate of pay which is higher than the annual and hourly rates of pay received by fifteen-year firefighters employed by each comparable jurisdiction except Beachwood. The fact-finder further notes that under the City's proposed compensation and hours package, the firefighters would also rank

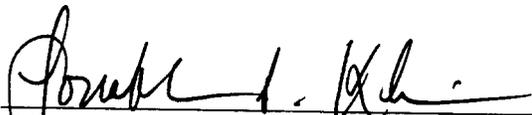
second only to the firefighters employed by Beachwood concerning “total pay” and “actual hourly rate.” (City Exhibit Nos. 3 and 4). Furthermore, the fact-finder notes that the City’s firefighters will rank third in Cuyahoga County, behind only Shaker Heights and Beachwood, for the year 2001 regarding total compensation according to City Exhibit No. 5.

Finally, the fact-finder’s recommendation concerning the wage rate is further supported by the wage rate increases which were accepted by the City’s police department in its most recent collective bargaining agreement with the City. Under the terms of their collective bargaining agreement, the patrol officers will receive annual wage rate increases of four percent in the years 2001, 2002 and 2003. (City Ex. 10). In contrast, the firefighters will receive a wage rate increase of 5.705 percent in 2001 and four percent in each of the following two years. It is evident the firefighters employed by the City will clearly re-gain some “lost ground” in regards to their annual salary as compared to the patrol officers annual salary as a result of a significantly higher wage rate increase in the first year of the new contract. As such, the compensation equilibrium between the City’s police and fire departments which is desired by both parties will be substantially restored under the new collective bargaining agreement. The fact-finder notes that in 2001, the City’s five-year firefighters will receive an annual salary of \$53,605.00, which includes a five percent paramedic premium and a two percent longevity payment, compared to an annual salary (including proficiency pay) of \$52,554.00 received by the City’s patrol officers. (City Ex. 13). Finally, for purposes of comparing the relative standing of the City’s firefighters and police officers concerning their wage rates as compared to the wage rates received by

firefighters and police officers employed by the comparable Hilltop communities, the fact-finder notes that both the City's firefighters and police officers rank second only to comparable units in the City of Beachwood.

Issue 5: Vacations

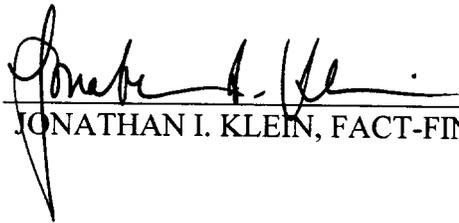
At the fact-finding hearing, the Union withdrew its proposal regarding additional language for Article XXXVI of the collective bargaining agreement which would have provided the firefighters with two personal leave days per calendar year.


JONATHAN I. KLEIN, FACT-FINDER

Dated: September 11, 2001.

CERTIFICATE OF SERVICE

Originals of this Fact-Finding Report and Recommendations were served upon Frank W. Buck, Esq., Duvin, Cahn & Hutton, Erieview Tower, 20th Floor, 1301 East Ninth Street, Cleveland, Ohio 44114, and upon James P. Astorino, 17703 Grovewood Avenue, Cleveland, Ohio 44119-3100, and upon Tom Hanculak, Esq., 1360 SOM Center Road, Mayfield Heights, Ohio 44124, and upon Dale Zimmer, Administrator, Bureau of Mediation, State Employment Relations Board, 65 East State Street, 12th Floor, Columbus, Ohio 43215-4213, each by express mail, sufficient postage prepaid, this 11th day of September, 2001.



JONATHAN I. KLEIN, FACT-FINDER