

STATE EMPLOYMENT
RELATIONS BOARD

2002 MAY -3 A 10:17

**IN THE MATTER OF FACT-FINDING
BETWEEN**

CITY OF BEDFORD HEIGHTS)	CASE NO. 01-MED-10-1008
)	
)	
AND)	<u>FINDINGS</u>
)	AND
)	<u>RECOMMENDATIONS</u>
INTERNATIONAL ASSOCIATION OF)	
FIRE FIGHTERS, LOCAL 1497)	

JAMES M. MANCINI, FACT-FINDER

APPEARANCES:

FOR THE CITY

Marc J. Bloch, Esq.

FOR THE UNION

James Astorino

SUBMISSION

This matter concerns fact-finding proceedings between the City of Bedford Heights (hereinafter referred to as the City or Employer) and the International Association of Fire Fighters, Local 1497 (hereinafter referred to as the Association or Union). The State Employment Relations Board (SERB) duly appointed the undersigned as fact-finder in this matter. Fact-finding proceedings were held on March 14 and April 12, 2002.

The fact-finding proceedings were conducted pursuant to the Ohio Collective Bargaining Law as well as the rules and regulations of SERB. During the fact-finding proceedings, this fact-finder attempted mediation of the issues at impasse. The issues remaining for this fact-finder's consideration are more fully set forth in this report.

The bargaining unit involved in this matter consists of all full-time Fire Cadets, Fire Fighters, Fire Fighter Paramedic, Lieutenant, and Captains in the City's fire department. There are approximately twenty-seven members in the unit.

This fact-finder in rendering the following findings of fact and recommendations of the issues at impasse has taken into consideration the criteria set forth in Ohio Revised Code Section 4117-14(G)(6)(7). Further, this fact-finder has taken into consideration all reliable evidence presented relevant to the outstanding issues before him. It should be noted that the parties agreed that this fact-finder could base his recommendations on the position statements as well as the discussions held with the parties. The parties also agreed that this fact-finder could issue his recommendations in summary fashion.

1. WAGES

The Union proposes to increase the base wages by 4% in each year of the Agreement. The Union also proposes to compensate each member \$400 for certification as a Hazardous Materials First Responder, or similar certification. The City proposes to increase wages by 4% in each of the first two years and by 2% in the third year of the Agreement. The City opposes any additional HazMat-First Responder pay.

The Union notes that the parties are in agreement on the base wage increases for the first two years of the Contract. However, the Union further maintains that the City has always been able to provide for pay raises near 4% in the past and for that reason the same kind of pay raise should be given to the firefighters in the third year of the Agreement. The Union further argues that the extra compensation requested in the form of HazMat-First Responder pay is reasonable. With the extra duties and the responsibilities placed upon the firefighters who must respond to these types of incidents, the Union believes that an additional \$400 for all members certified in the handling of hazardous materials should be provided in each year of the Agreement.

The City contends that it has offered a fair wage settlement. As noted in the Finance Director's report, for the first time the City's revenue receipts from income taxes has declined. The Employer notes that several of the largest companies in the City have indicated that they may relocate their facilities. In light of the financial trends, the City believes that it is necessary to lower expectations for the third year of the Agreement and

it is for that reason that it has proposed a 2% wage increase. The City further maintains that the Union failed to establish any basis for its HazMat-First Responder pay request.

ANAYSIS – This fact-finder has determined that it would be reasonable to provide for 4% wage increases in the first two years of the Agreement as agreed upon by the parties with an additional 3.5% increase in the third year. In addition, a \$105 equity wage adjustment is to be added on to the base wage of the firefighters in the first year of the Agreement in order to achieve parity with the police unit. However, there was insufficient basis established for the HazMat-First Responder pay request made by the Union and for that reason it is not recommended.

As indicated, the parties were in agreement as to the 4% wage increases which are to be provided in the first two years of the Agreement. With respect to the third year, this fact-finder finds that a 3.5% increase would be fair and reasonable. The parties argued quite vociferously over this particular issue. However, this fact-finder did not find any basis to the City's contention that a below normal wage increase should be provided in the third year of the Agreement. For this particular bargaining unit, past wage increases for the last three years have averaged a little above 3.5%. In the year 2001, both the firefighters as well as the police unit were provided with wage increases of 3.5%. Based upon evidence of past increases, this fact-finder has determined that likewise a 3.5% increase in the third year of the Agreement should be provided to the bargaining unit here.

In addition, there was an indication that currently a wage disparity exists between the top firefighter's wage and that of the highest police salary. The evidence showed that currently the top firefighter's pay falls \$105 below that of the top police officer's salary. This fact-finder believes that this wage disparity should not exist and as a result it would be appropriate to provide an equity pay adjustment in the first year of the Agreement by adding \$105 to the base wage of the firefighter prior to the 4% general wage increase which also is to be provided.

This fact-finder further does not find any merit to the Union's contention that HazMat-First Responder pay should be provided to the bargaining unit. There was insufficient basis established for such a provision. Moreover, the Union seemed to argue here that this additional compensation is needed in order to achieve parity with the police unit. However as previously discussed, this fact-finder would recommend an equity pay adjustment of \$105 added onto the firefighters' base wage in the first year of the Agreement in order to help achieve true wage parity between the units. It is also noted that at least for a portion of the bargaining unit, squad pay is currently provided which is similar in many respects to the physical proficiency pay provided to police officers. Considering all of the factors, this fact-finder has determined that it would be reasonable to recommend a \$105 equity pay adjustment added on to the firefighters' base wage, with a 4% increase in the first year, another 4% increase in the second year, and a 3.5% wage increase in the third year of the Agreement.

RECOMMENDATION

It is the recommendation of this fact-finder that wage increases be provided to the bargaining unit in each year of the Agreement as set forth below:

WAGES

Effective January 1, 2002 – One Hundred Five Dollars (\$105) added on to the base wage and a four percent (4%) increase.

Effective January 1, 2003 – Four Percent (4%) increase.

Effective January 1, 2004 – Three and One-half percent (3.5%) increase.

No Haz-Mat First Responder pay.

2. LONGEVITY PAY

The Union proposes to remove the current longevity cap. The City proposes to change the current cap of \$3,000 to \$3,200 effective 2002, and then to \$3,300 and \$3,400 during the last two years of the Agreement.

ANALYSIS – The parties indicated that they were in basic agreement that the current cap of \$3,000 should be changed as proposed by the City. This fact-finder adopts therefore as his recommendation that effective 2002 the cap for longevity be increased to \$3,200. Likewise effective 2003, the longevity cap should be increased to \$3,300, and in the third year of the Agreement to \$3,400.

RECOMMENDATION

It is the recommendation of this fact-finder that the current cap for longevity be changed as follows:

LONGEVITY CAP

Effective 2002 - \$3,200

Effective 2003 - \$3,300

Effective 2004 - \$3,400

3. HOURS OF WORK AND OVERTIME

The Union proposes to increase the compensatory time bank that is established in Section 4 of Article VI to 250 hours. The Union also proposes to increase the call-back pay from three hours to four hours. The City proposes to increase the compensatory time bank from 156 hours to 200 hours. With respect to the call-back pay, the City's position is that there be no change from the current language.

ANALYSIS – Based on the information provided by the parties, this fact-finder finds that it would be reasonable to increase the compensatory time bank to 200 hours. It would also be reasonable to increase the minimum call-back pay from the current three hours to four hours. This fact-finder believes that both of these modifications to the compensatory time bank as well as to the minimum call-back provision would be in line with similar provisions found in comparable firefighter contracts.

RECOMMENDATION

With respect to the compensatory time bank and minimum call-back pay issues, this fact-finder recommends modifications as set forth below:

COMPENSATORY TIME BANK

Increase to two hundred (200) hours.

CALL-BACK PAY MINIMUM

Increase to four (4) hours of pay.

4. VACATIONS

The Union proposes to increase the vacation allotment by providing an additional week of vacation for an employee after twenty-two years of service. This would give the employee six weeks of vacation time. The City opposes any increase in the vacation schedule.

ANALYSIS – This fact-finder would not recommend any increase to the vacation schedule. The firefighters currently receive after seventeen years of service five weeks or approximately twelve tours of duty of vacation time. Such a vacation entitlement does not appear to be out of line with the amount of vacation provided to firefighters in comparable jurisdictions.

RECOMMENDATION

With respect to vacations, this fact-finder does not recommend any change from the current provision.

VACATIONS – No Change.

5. HOLIDAYS

The Union proposes to increase the holiday credits from ten to twelve holidays.

The City is opposed to any increase in the holiday credits.

ANALYSIS – This fact-finder does not find any basis for an increase in holidays for the bargaining unit. The evidence presented in this case shows that the holidays provided to the firefighters here compares quite favorably to that provided to others in neighboring jurisdictions. In the survey presented, there was only one city which provided its firefighters with more holiday hours.

RECOMMENDATION

This fact-finder would not recommend any change in the current Holiday Provision.

HOLIDAYS – No Change.

6. LEAVES OF ABSENCE

The parties basically reached a tentative agreement that another section should be added on to the Leave of Absence Provision to provide for an unpaid leave or one day off for the birth of a child.

ANALYSIS – This fact-finder recommends the birth of a child leave agreed to by the parties.

RECOMMENDATION

This fact-finder recommends that a new section be added under Article 10 to provide for one day off for the birth of a child.

LEAVES OF ABSENCE

New Section 9 – One (1) day off for the birth of a child.

7. FUNERAL LEAVE

The Union proposes to increase funeral leave from one 24-hour period to two 24-hour periods. The City's position is that there should be no change from the current agreement.

ANALYSIS – This fact-finder would not recommend any change in the Funeral Leave Provision. It was indicated that the Funeral Leave Provision provided to all other bargaining units in the City as well as for the non union work force is three days off with pay. Currently, the firefighters have the equivalent of that amount by being provided with one 24-hour period for funeral leave. There was no basis established for making any change in the current Funeral Leave Provision.

RECOMMENDATION

It is the recommendation of this fact-finder that there be no change in the current Funeral Leave Provision.

FUNERAL LEAVE – No Change.

8. HOSPITALIZATION AND LIFE INSURANCE

The City proposes to increase the employee contribution from 6% to 8% in the year 2002, and then to 10% of the total premium cost in the year 2003. In addition, the Employer proposes a first year change in prescription deductibles and to increase the office co-pay to \$20 per visit in the third year of the Agreement. The Union proposes to implement a \$45 monthly cap on employee contribution for family coverage and a \$20 cap for single coverage. The Union opposes any change in the current prescription plan deductibles. With respect to life insurance, the Union proposes to increase the amount from the current \$20,000 to \$30,000. The City's position is that there should be no change in the current provision.

The City contends that the changes in employee contribution and increases in prescription deductibles which it has proposed are needed in order to help control the rising cost of health insurance. The City points out that healthcare costs for both the Medical Mutual and the United Health Care plans will increase dramatically in the current year. The increase in employee contributions reflects the need for the City to continue to have the employees share in the rising cost of healthcare. Moreover, the only way to slow the increases in the cost of healthcare is to change the plan's design. One of the ways to do this is to provide for higher deductibles for prescription drugs. Without the increases in prescription deductibles, the City submits that the cost in healthcare for both parties will continue to soar. Likewise, the change in office co-pay is needed for the same reason which is to help control the rising cost of healthcare.

The Union counters that the current employee contributions are sufficient and should be retained. The Union notes that the amount which each employee must contribute towards healthcare has increased during the past several years. In 2001, employees with a family plan contributed approximately \$46 per month. With premiums continuing to increase each year, the employee contributions will likewise increase under the current provision. There simply was no justification established for increasing the employee contribution towards healthcare premiums. In addition, there should be no change in the prescription drug deductibles because that too will have an impact on those employees who must purchase prescribed medications. The Union contends that the City failed to establish a basis for increasing prescription deductibles or the office co-pay amounts.

ANALYSIS – This fact-finder has determined that the employee contribution towards premium costs should be increased to 8% effective upon the execution of the new Agreement. However, it would also be appropriate to implement at the same time a \$45 cap for employee contributions. The 8% employee contribution and \$45 cap would be the same as that currently provided to the police unit. In fact under the police contract, officers have been making the 8% contribution towards health insurance premiums with the \$45 cap being applied since October 1, 2001.

Likewise, this fact-finder would recommend the change in prescription deductibles for both healthcare plans offered to the employees. Under the United Health Care Plan, the deductibles would be \$7 for generic, \$15 for brand drugs on the preferred

list, and \$30 for drugs not on the preferred drug list. For the Medical Mutual Plan, there would be a prescription deductible of \$7 for generic drugs, and \$15 for brand drugs. Once again, these prescription deductibles are the same as that which the police unit as well as other employees in the City must pay under the respective plans offered. Internal comparisons therefore support both changes in the employee contribution towards healthcare costs and the change in the prescription deductibles.

This fact-finder would also recommend that the office co-pay be changed to \$10 per visit in the third year of the Agreement. This would be a relatively modest increase over the current \$5 office visit co-pay. The City presented evidence that only with the increase in office co-pays will they be able to achieve cost savings in its hospitalization insurance. Of course, the change in the prescription deductibles will also help to achieve the goal of both parties which is to control the cost of healthcare. It is undisputed that the cost to the City of providing healthcare for its employees has risen dramatically during recent years. Double-digit increases in premiums occurred in the current year 2002. The only way that the parties have to slow the increases is to change the plan design which is why the higher deductibles for prescription drugs as well as the increase in the office co-pay are recommended.

In addition to the above recommended changes in health insurance, this fact-finder would suggest that the parties form a joint health insurance committee to review as necessary alternative insurance plans and coverages for future years. The committee

would allow the bargaining unit here to participate in the decisions which undoubtedly will have to be made in the future concerning ways to control rising healthcare costs.

Finally, this fact-finder would not recommend any change in the current life insurance provision. The amount of \$20,000 of life insurance provided to the bargaining unit here is the same as that provided to others in the City including the police unit.

RECOMMENDATION

With respect to hospitalization and life insurance, this fact-finder recommends the following:

HOSPITALIZATION AND LIFE INSURANCE

Effective upon execution of the Agreement – Change employee contribution for both family and single health insurance coverages to eight percent (8%). However, employee contributions shall not exceed Forty-five Dollars (\$45) per month.

Change prescription deductibles as follows:

\$ 7.00 Generic (United Health Care)

\$15.00 Brand Drugs on Preferred List

\$30.00 Drugs not on preferred drug list

\$ 7.00 Generic (Medical Mutual)

\$15.00 Brand

Increase office co-pays to Ten Dollars (\$10.00) in year 2004.

Life Insurance – Current language, no change.

Establish Joint Health Insurance Committee to review as necessary alternative insurance plans and coverages.

9. CLOTHING ALLOWANCE/UNIFORM MAINTENANCE ALLOWANCE

The Union proposes to increase the uniform maintenance allowance by one hundred dollars. The City's position is that there should be no change in the current uniform allowance of \$475.

The Union contends that its request for a moderate increase in the uniform maintenance allowance is justified in order to cover the additional costs which have occurred for maintaining a firefighter's uniform. The City counters that the current uniform allowance is in the upper echelon of comparable contracts in the area.

ANALYSIS – This fact-finder would recommend that the uniform maintenance allowance be increased by \$25 in the first year of the Agreement. Comparables show that most other jurisdictions in the area provide for smaller uniform allowances than that given to the firefighters here. However, a slight increase is warranted in order to cover the additional costs for maintaining a firefighter's uniform.

RECOMMENDATION

It is the recommendation of this fact-finder that the uniform maintenance allowance be increased by \$25 in the first year of the Agreement.

UNIFORM MAINTENANCE ALLOWANCE

Increase by Twenty-five Dollars (\$25) in first year of Agreement.

10. PARAMEDIC MANNING

The City proposes a change whereby employees must serve fifteen years before seeking to cease performing paramedic duties. The Union's initial position was that there should be no change from the present Agreement which provides that paramedics may cease performing paramedic duties when the number of paramedics reaches eighteen in the department.

ANALYSIS – This fact-finder would not recommend any change in the current provision. Apparently there was some discussion between bargaining unit members and the acting Chief of the fire department to the affect that individuals would have to maintain their current paramedic card for a minimum of five years from the date of hire. However, the City indicated that no such agreement was ever entered into and for that reason this fact-finder cannot recommend the proposed change previously discussed by the parties. There was no indication that the current provision has caused any difficulty for either party. Again, the current language states that individuals may cease performing paramedic duties when the number of paramedics reaches eighteen in the department. The current provision appears to be reasonable and should be retained.

RECOMMENDATION

It is the recommendation of this fact-finder that the current Paramedic Manning Provision be retained under Section 4 of Article XVI.

PARAMEDIC MANNING, Section 4 - No Change.

11. LIGHT DUTY

The City initially proposed to eliminate the Light Duty Provision but then later withdrew its proposal. The Union's position was to retain current language.

ANALYSIS – This fact-finder would recommend that there be no change in the current Light Duty Provision. Once again, the parties apparently discussed the possibility of changing the provision to distinguish between short-term and long-term light duty assignments. However, the City indicated that there was never an agreement reached on this subject and for that reason the change discussed cannot be recommended. The current provision provides that an employee may be restricted to light duty for no more than twelve weeks per incident. This provision appears to be reasonable and there was no basis established for making any change to it.

RECOMMENDATION

This fact-finder would not recommend any change in the Light Duty Provision.

LIGHT DUTY – Current language, no change.

12. PROMOTIONS

The City proposed that promotions from one rank to the next higher be based upon the written exam as well as other criteria developed by the City after discussion with the Union. The Union's position was that there should be no change from the current language.

ANALYSIS – This fact-finder would not recommend any change in the current Promotions Provision. There was an indication that the acting Fire Chief and bargaining unit representatives had discussed making a change in the promotional testing provision. The City however indicated that there was never an agreement reached and as such this fact-finder cannot recommend the change previously discussed. There was simply insufficient basis established to make any change in the current Promotions Provision.

RECOMMENDATION

This fact-finder would not recommend any change in the Promotions Provision.

PROMOTIONS – Current language, no change.

CONCLUSION

This fact-finder hereby submits the above referred to recommendations on the outstanding issues presented to him for his consideration. Further, this fact-finder incorporates all tentative agreements previously reached by the parties and recommends that they be included in the parties' final Agreement.

APRIL 30, 2002



JAMES M. MANCINI, FACT-FINDER