

The Fact-Finding involves the City of Hubbard, (hereafter referred to as the "Employer") and Local Union 1256, AFSCME, Ohio Council 8, (hereafter referred to as the "Union"). The Union's bargaining unit is composed of approximately thirty (30) employees in the Service/Maintenance and Clerical classifications of the Electrical, Water, Waste Water, Street, Auditor and Treasurer's Departments in accordance with SERB rules. The State Employment Relations Board duly appointed Marc A. Winters as Fact-Finder in this matter.

The Fact-Finding Hearing was conducted on Wednesday, January 22, 2003 in the Hubbard City Hall. The Fact-Finding Hearing began around 10:00 A.M. and was adjourned around 11:30 A.M. At the beginning of the Fact-Finding mediation was offered and an attempt was made to mediate the unresolved issues. However, the mediation was unsuccessful.

The Fact-Finder would like to convey his appreciation not only for the courtesy and cooperation given to the Fact-Finder by both parties, but to each other as well.

The Hearing was conducted in accordance with the Ohio Public Employee Bargaining Statute, set forth in rule 4117. Rule 4117-9-05 sets forth the criteria the Fact-Finding is to consider in making recommendations. The criteria are:

1. Past collectively bargained agreements, if any.
2. Comparisons of the unresolved issues relative to the employees doing comparable work, given consideration to factors peculiar to the area and the classification involved.
3. The interest and welfare of the public, and the ability of the public employer to finance and administer the issue proposed and the effect of the adjustments on the normal standards 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 determining of issues submitted to mutually agree-upon dispute settlement procedures in the public service or private employment.

The following issues were considered at the Fact-Finding Hearing on January 22, 2003:

1. Vacations.
2. Hospitalization and Insurance.
3. Holidays.
4. Compensation.
5. Benefits.
6. Early Retirement Incentive
7. Duration

INTRODUCTION

Although the parties met, on September 30, 2002, October 15, 2002, November 3, 2002 December 10, 2002 & December 19, 2002, for the purposes of collective bargaining, the above-issues remained unresolved. Given that not much dialogue had taken place at the Fact-Finding Hearing, other than the parties got right to the point, the Fact-Finder's discussion section will also be brief and to the point.

The Report will follow and this Fact-Finder would like the parties to know that each and every exhibit presented at the Hearing was read and re-read by this Fact-Finder prior to rendering these recommendations. This Fact-Finder would like to thank the parties for the time and hard work committed to putting together such valuable information placed in each exhibit.

ISSUE: Article 15, Vacations

City's Position: The Employer proposes to reduce the current level of vacation entitlement.

Union's Position: To keep the current levels as is or status quo.

Discussion: The employer wishes to reduce the current levels of vacation entitlement by one week at each of the five steps listed in the collective bargaining agreement. The employer argues that the Collective Bargaining Agreement provides an excessive amount of vacation time for the employees and the Employer's proposal is in line with what other Service departments are awarding their employees.

The Union argues that the vacation entitlement should go unchanged since they are comparable to all other external comparable's cited.

Finding of Fact: Throughout the Hearing and presented in testimony, through exhibits, were twelve (12) comparable communities. The members of Local 1256 are exactly in line with all twelve (12) communities used as comparable communities.

Based on all the evidence presented and considering the respective positions of the parties, I find that the Union's position of status quo to be reasonable.

Suggested Language: Current language.

ISSUE: Article 28, Hospitalization and Insurance

City's Position: The Employer wishes to change Article 28 consistent with the agreement reached with the employees of the Trumbull County Child Support Enforcement Agency, who are represented by AFSCME. The Employer proposes the following changes: an up front deductible of \$200 for a single plan and \$400 for a family plan with maximum out-of-pockets of \$600 for single and \$1200 for family plan. There would also be a \$15 office visit co-pay, which would not be applied to the annual deductibles, but would be applied through the annual out-of-pocket

maximums. The prescription drug co-pay would be \$6.00 per prescription for generic, \$12.00 for non-generic prescriptions. The Employer is also proposing a prescription deductible each year of \$20.00 for single and \$40.00 for family plans. Finally, effective January 1, 2003, employees would share in health care premiums of 10% of the total premium not to exceed \$70.00/month for family coverage and \$35.00/month for single coverage. Effective January 1, 2004, the employee share of the health care premiums would remain at 10% of the total premium not to exceed \$100.00/month for family and \$50.00/month for single coverage. Effective January 1, 2004, the employees share of health premium would be 10% of the total premium. The premium would be deducted at one-half (½) the amount of each bi-weekly pay period until the total monthly obligation was met.

Union's Position: The Union wishes to keep the Article 28 as is or once again status quo.

Discussion: The Employer argues that health care costs for the City's plan has increased substantially to the point that the Employer can no longer afford to provide the same level of benefits.

The Union, on the other hand, argues that the Employer can afford the current levels. They further argue that Local 1256 represented employees are in line with all twelve comparable's presented at the Hearing.

Finding of Fact: Health Care cost continue to rise and continue to be a concern for all Employers both private and public. Cost sharing and cost containment measures are ways in which parties try to curb the rising health care cost. Employers and Unions constantly negotiate these issues. However, in my twenty-five years of collective bargaining experience, never have I seen such a wholesale set of changes, in terms of monetary items, such as the Employer's proposal.

Especially after reviewing the budget, the fund accounts that cover this bargaining unit and the comparable twelve communities, this Employer may not want to afford these cost, but most certainly are able to afford such an expense. If the Employer really was serious about these changes, a reasonable person would think that trying to get just a few of these changes in at one time would be a benefit to the Employer. Absent from the testimony or evidence is any cost savings analysis as to which change would effect the savings and to what degree. Even reviewing the twelve comparable's shows that this bargaining unit is inline with ten out of the twelve.

It is my recommendation based on the positions of the parties that this Article 28 remain unchanged and the Union's position of status quo will be accepted.

Suggested Language: Current Language.

ISSUE: Article 24, Holidays

Union's Position: The Union seeks to add Christmas Eve as a paid holiday.

City's Position: The Employer wishes to delete the general election ½ day as one of the holidays offered.

Discussion: The Union contends that Christmas Eve as a paid holiday is becoming more common in other collective bargaining agreements in this area. The Union further states that they are willing to trade the ½ day election day holiday for this Christmas Eve holiday. Thereby only causing the Employer to grant an additional four paid hours above the current hours for paid holidays.

The Employer argues that the Agreement provides for thirteen and one-half (13 ½) holidays. Even with the Employer's proposal to delete the general election ½ day, the employees would still be entitled to thirteen (13). This is consistent with other similarly situated employees

Finding of Fact: Based on the comparable twelve communities, these Hubbard City employees enjoy an ample amount of paid holidays. They do not have the most, however, they are close to the top. The Union did not prove that the amount of paid holidays to be substandard nor did the Employer prove the need to delete any.

Suggested Language: Current Language.

ISSUE: Article 32, Compensation

Union's Position: The Union seeks general pay increases; effective 1/1/03 , five per cent (5%); effective 1/1/04, four per cent (4%) and effective 1/1/05, four per cent (4%).

City's Position: The Employer proposes a 2% wage increase the first and second years of the contract and a 3% in the third year.

Discussion: The Union argues that there proposal is reasonable considering the current rise in the CPI (3.8%) and in view of the fact that the bargaining unit settled for a below average wage increase in the last agreement while the Employer granted greater increases to non-bargaining unit employees and elected officials.

The Employer argues that the City's financial position simply prohibits the Employer from awarding any further increases for the first two years.

Review of the past raises shows that this bargaining unit has kept up the pace with the other twelve comparable communities. Once again this bargaining unit is not the highest paid, nor are they the lowest paid. They are, however, somewhere in the top one third.

Finding of Fact: Upon careful consideration of all the facts and documentation submitted by the

parties it is this Fact-Finder's recommendation that the wages for a three year contract be as follows.

Effective January 1, 2003, a three and one-half percent (3 ½ %) general wage increase.

Effective January 1, 2004, a three and one-half percent (3 ½ %) general wage increase.

Effective January 1, 2005, a three and one-half percent (3 ½ %) general wage increase.

ISSUE: Article 37, Benefits

City's Position: The Employer is proposing to delete the last sentence of Section 37.01 which states that the City shall maintain whatever types and level of hospitalization and medical insurance that was provided to members of the bargaining unit as of July 1, 1988.

Union's Position: Status Quo.

Discussion: The Employer is proposing to delete this sentence to give the Employer the flexibility to find alternative types of insurance that will help maintain the cost of health care. The Employer's proposal is consistent with the proposal in the health insurance article. This provision simply ties the hands of the Employer too severely to negotiate a lower cost for providing health care.

Finding of Fact: Based on the discussion and finding of fact for the Hospitalization and Insurance of Article 28 and after carefully considering the record and testimony, I find that the Union's request of status quo to be reasonable.

Suggested Language: Current Language.

ISSUE: Appendix A, Early Retirement Incentive

City's Position: The Employer is proposing to eliminate the early retirement incentive while still retaining the progressive wage schedule as outlined in Appendix A.

Union's Position: Status quo.

Discussion: The Employer argues that the early retirement incentive is just too costly for the City to maintain in light of the City's financial condition and the notice requirement provision is too short to accommodate the City Auditor.

The Union concedes that the notice provision is too short and agrees to a six (6) month advance notice provision, but argues status quo, stating that only three employees maybe able to use the incentive during the life of this new contract

Finding of Fact: Since the amount of the cost savings was not entered into evidence and since the City did not prove that they needed such a concession, I find that the Union's proposal of status quo with a six (6) month advance notice requirement to be reasonable.

Suggested Language: Any employee considering applying for the early retirement incentive will provide the City of Hubbard at last six (6) months advance notice prior to his or her retirement.

ISSUE: Article 39, Duration

City's Position: The Employer proposes that the Agreement become effective on the date of execution and expire on December 31, 2005.

Union's Position: The Union proposes that the Agreement become effective on the date of January 1, 2003 and expire on December 31, 2005.

Finding of Fact: To coincide with the general wage increases the duration shall be a three (3) year contract effective January 1, 2003 and expire December 31, 2005.



Marc A. Winters
Marc A. Winters, Fact-Finder