

Submission

The Parties in the present negotiation have had an ongoing collective bargaining relationship culminating in an Agreement that obtained until December 31, 2004. Pursuant to the provisions of Ohio Revised Code 4117.14(C)(3), the undersigned was appointed Factfinder in the matter. Mutually agreeing to an extension of the statutory deadlines, the Parties met in negotiations toward a successor contract a number of times. On two occasions Tentative Collective Bargaining Agreements were presented to the bargaining unit, and on both occasions the OPBA membership declined to ratify the negotiated provisions. Impasse was declared with regard to the issues enumerated below. All other issues between the Parties having been tentatively agreed upon or resolved on the basis of current contract provisions, they are included in these recommendations by reference.

Having reached impasse, the Parties requested that the Factfinder attempt mediation of unresolved issues prior to holding an evidentiary hearing. A mediation session was accordingly convened on September 28, 2005 at the Stow City Hall in Stow, Ohio. Although entered and undertaken in good faith, mediation failed to resolve the remaining issues below. Accordingly, an evidentiary hearing was held on the date and at the place above, at which the Parties were afforded an opportunity to present evidence and testimony, and to cross examine witnesses. The matter was declared closed as of the date of hearing.

ISSUES AT IMPASSE

The Parties identified and presented the following issues as unresolved:

1. **Article XV – Rates of Pay: Effective date of wage increase**
2. **Article XIX – Hospitalization: Prescription drug reimbursement**
3. **Article XIX – Hospitalization: Maximum lifetime limit**
4. **Any and all tentative agreements heretofore entered into between the Parties**

STATUTORY CONSIDERATIONS

In weighing the positions presented by the Parties, the Factfinder was guided by the considerations enumerated in OAC 4117-9-05(K), *et seq*, specifically:

- 4117-9-05(K)(1) Past Collectively bargained agreements, if any, between the parties;
- 4117-9-05(K)(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;
- 4117-9-05(K)(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;
- 4117-9-05(K)(4) The lawful authority of the public employer;
- 4117-9-05(K)(5) Any stipulations of the parties;
- 4117-9-05(K)(6) Such other factors, not confined to those listed above, which are normally or traditionally taken into consideration in the determination of the issues submitted to mutually agreed-upon dispute settlement procedures in the public service or in private employment.

BACKGROUND AND STATUTORY CONSIDERATIONS

Located in northern Summit County, the City of Stow (City or Employer) is a thriving, chartered bedroom community of Akron. Its 35,000 residents are protected by the approximately 27 Patrol Officers represented by the OPBA (OPBA or Union) in this bargaining unit. The OPBA also represents, in separate bargaining units, the Sergeants and Lieutenants, as well as the City's dispatchers.

Growing and well-managed, the City enjoys a diverse tax base, founded in strong and

steady light industrial, commercial and residential development. At the end of 2004, the City's net assets exceeded its liabilities by \$60.4 million; its unreserved general fund balance was \$5.2 million, or a very solid 32.6% of expenditures; and it is able to devote 40% of its revenue to Capital Improvements. There is no issue of the City's ability to pay the wage and compensation increases sought by the Union.

However, the City's police department is "grossly understaffed" according to one of two separate studies commissioned by the Employer. That study, undertaken in 2004 by three University of Akron faculty members, found *inter alia* that Stow's response times were twice the national average; that it "desperately need[ed] more patrol officers on the street to maintain the safety of its Police officers as well as its citizens"; and recommended the addition of 16 officers immediately and an additional 12 officers within 18 months. More pertinent to the present impasse, the study found that Stow patrol officers sometimes were required to work mandatory overtime shifts of 14 to 17 hours, and burnout – including sleep deprivation and general fatigue – was a "regular occurrence" for Stow officers. See generally Stow Police Department Staffing Analysis, Center for Emergency Management and Homeland Security Police Research (2004). At the time of hearing no additional officers had been added, and the issue significantly informed the negotiations subtextually.

Another issue indirectly affecting these negotiations was the bargaining history. As discussed below, the previous Agreement reduced the length of the contract by some three months, terminating on December 31, 2004 rather than customary date of March 31st. The specific purpose of that truncation was to enable the OPBA to serve as the lead unit in the City's established practice of patterned bargaining. Accordingly, formal negotiations for a successor Agreement began in October of 2004.

Following three months of talks, a Tentative Agreement was presented to the bargaining unit for ratification in early February of 2005. That Tentative Agreement was rejected in a tie vote, and further discussions ensued, resulting in another Tentative Agreement, which was also subsequently rejected by the bargaining unit at large. Both Agreements were approved by Stow's Mayor, but were not ratified by the legislative body.

In the interim period between rejection of the Tentative Agreements and the present proceedings, a number of the City's other bargaining units – including the Fire Fighters – reached agreement with the Employer based on the Tentative Agreements ultimately rejected

by the OPBA Patrolmen. Notwithstanding that under ORC 4117, all tentative agreements are subject to ratification by the constituent bodies to which the representatives are accountable, the City felt a betrayal at having reached what it believed was a good-faith accord, only to have the agreements rejected by the bargaining unit at large.

While the Fire Fighters' contract contained a number of concessions with regard to compensatory and other time off, the Department's schedule was reduced by some 3.7 hours per week. That reduction provided argument by the Union that internal comparables should be considered by the Factfinder. However, in my view, absolute parity between different safety forces is unachievable beyond basic wage rates and benefits; among other factors, police and fire departments operate on radically different shift schedules and their time off – including FLSA considerations such as “Kelly Days” - preclude direct comparison in detail.

In comparison to other Summit County communities, Stow patrol officers are compensated within a few hundred dollars of the average submitted by the Union. While the Union has agreed to 2005 wage increases of 2.8% or slightly less than those accepted by peer communities in the county labor market, higher rates in the final two years of the contract are compensatory.

I further take notice that Klais & Co. – administrators of the City's self-funded health and prescription drug plans – is a known and established organization based in Akron, Ohio and specializing in self-insured municipal and university medical programs throughout the United States.

The following findings of fact and recommendations attempt to balance these competing considerations.

FINDINGS AND RECOMMENDATIONS

1. Article XV – Rates of Pay: Effective date of wage increase

OPBA Proposal:

In the course of negotiations for the predecessor Agreement, the Union proposed that the April 1st effective date of the Agreement be advanced to January 1st instead. The intent of that movement was twofold, according to the OPBA: First, it placed the bargaining unit in a

lead position with regard to establishing the pattern of compensation and benefits on which other City contracts would be based; and second, by providing wage increases three months sooner, it would constitute some increased compensation. That proposal was accepted in the predecessor Agreement, with the intent that incorporation of a similar provision would succeed in the Agreement under negotiation here, according to the Union.

In support of its assertion, the OPBA presented the testimony of former Stow Mayor Lee Shaffer, who stated her understanding that the intent of the Parties was that OPBA wage increases, as well as the effective date of the new Agreement, would be January 1, 2005.

Moreover, the Union maintains that the enhancement provided by rolling back the date on which wage increases took place would bring members of the police bargaining unit in line with increases in benefits and compensation afforded the members of the Stow Fire Department, whose collective bargaining agreement the OPBA contends gave them, *inter alia*, a work week reduced by 3.7 hours. Consequently, the interests of internal parity warrant some enhancement of the pay package of the City's patrol officers.

The OPBA argues that bargaining unit members are somewhat below the average of patrol officers in peer communities, while the City is in sound financial condition. Rolling back the applicable contract termination date from March 31st to December 31st would enhance the economic package offered by the Employer commensurate with wages being paid patrol officers in comparable communities within the labor market area.

For these reasons, the Union urges the Factfinder to recommend that its wage increases be retroactive to January 1, 2005, rather than to April 1st.

City Position:

Arguing that the effective date of wage increases for the City's police officers has been April 1st of each contract year since 1978, the Employer opposes the Union's proposal as "unjustified, unsupported and costly . . .".

During negotiations for the previous contract, the City contends that it agreed to shorten the contract by three months, ending on December 31st, as a concession to the Union intended to place the bargaining unit in the position of being the first union during the 2005 round of contract negotiations; thus enabling the OPBA to set the pattern for settlement of labor contracts in the City. There was no intent to change the effective date of wage increases from April 1st to January 1st.

In support of this assertion, and in rebuttal of the testimony of the former Mayor – who the City contends is ill-disposed to the present administration – the Employer presents the sworn affidavit of the City’s former outside counsel and chief negotiator during the bargaining of the previous Agreement. In that affidavit, James Budzik states that the Employer agreed to the December 31st expiration date under Article 34, in order to provide the OPBA with the opportunity to be lead bargaining unit in the 2005 negotiations. Mr. Budzik also affirms that “[t]he parties did not express or identify any other reason for agreeing to the December 31, 2004 expiration date.” Although the Union proposed a change in the effective date of the wage increases to January 1st during the prior negotiations, that proposal was rejected and ultimately withdrawn by the OPBA during the course of bargaining.

The City argues that if the Union’s proposal is implemented, the additional cost would amount to \$358 per top step Patrolman during the contract’s first year; \$421 in the second year; and \$435 during the third year, for a total increased cost for the entire bargaining unit of \$41,356 over the course of the Agreement.

The agreement to enable the bargaining unit to lead negotiations during the 2005 talks was the sole reason for changing the ending date of the predecessor Agreement. The Employer argues that the Union took that role during these negotiations, and twice came to agreement with the City as to the terms of the successor contract. In neither of the Agreements it presented to bargaining unit members was the issue of changing the effective date of wage increases a major difficulty, nor did the OPBA’s bargaining committee indicate that the long-standing April 1st wage increase date would be unacceptable to the bargaining unit members.

The City reasons that the Union’s argument that wage increases should take place three months early in order to provide increased compensation to bargaining unit members is easily countered with the opposite argument: if OPBA patrol officers had their wage increases delayed by three months – to July 1st – the resultant savings would help balance the City’s budget.

The Employer contends that in proposing the advancement of wage increases by three months, the Union is attempting to exploit the agreement to place it in the lead negotiating unit position. Accordingly, the City urges the Factfinder to recommend that the parties retain

April 1st as the date of wage increases, and return the termination date of the Agreement to March 31, 2007, in keeping with the past practice of the Parties.

Findings & Recommendation:

As a threshold issue, the OPBA objects on procedural grounds to the admission by affidavit of the testimony of James Budzik, former counsel to the City of Stow. That objection is based on the quite reasonable evidentiary argument that Mr. Budzik should be made available for cross examination. I overruled the Union's objection and accepted the affidavit for its worth because – all Parties and the undersigned having personal knowledge of Mr. Budzik and knowing him to be a person of integrity - I believe that the value of the additional information provided under cross examination would not warrant the delay of these proceedings or the inconvenience to the witness.

Similarly, the Union presented the testimony of the former Mayor to the effect that she believed the City's intent was to establish future wage increases, as well as the effective date of future contracts, to January 1st rather than the existing April 1st dates. In response to that testimony, the City raised the issue of the former Mayor's antipathy toward the successor administration. Whether or not Ms. Shaffer harbors ill feelings toward the City was certainly not evident in her testimony, which must be taken to have represented her best recollection of the events of three years earlier. Nevertheless, her knowledge of the events and postures of the Parties during the predecessor negotiations was, at best, limited. As a result, her testimony as to the intent of the Parties in entering their Agreement cannot be afforded great weight.

Based on the testimony and evidence presented, it is apparent that in specifying that the termination date of the Agreement under Article XXXIV be advanced by three months – to December 31, 2004 – it was the intention of the Parties only to empower the OPBA, on behalf of Stow's Patrol Officers, to become the lead unit in the City's established history of pattern bargaining. Negotiations regarding a corresponding advancement of wage increases under Article XV were left to future negotiations.

Notwithstanding the intent of the Parties in arriving at the terms of the predecessor Agreement, it is certainly within the parameters of these negotiations for the Union to propose that its compensation be enhanced through the expedient of advancing wage increases retroactively from the present date of April 1, 2005 to January 1st of this year. This

is particularly appropriate when, as here, the OPBA became the lead unit in pattern bargaining. Rather than alter a pattern of percentage-based wage increases that has evidently been established and accepted by certain of the City's other units, when faced with the rejection of two tentative Agreements by its members the OPBA proposes that acceptable enhancements may be made through means other than percentage increases to the basic wage rate itself. This approach, it seems to argue, would provide incentive to the bargaining unit to accept an Agreement previously found inadequate, in a manner that did not alter the basic wage pattern.

In determining whether such enhancements might be justified, I give weight not only to the statutorily mandated considerations of comparability and the City's ability to pay, discussed in the Background above, but to the degeneration of morale resulting from under-manning and its effect on the best interests and welfare of the citizens of Stow. Clearly, the "gross understaffing" of the Stow Police Department has resulted in a bargaining unit that feels underappreciated and over-worked. It is a condition militating against the welfare of the community.

While the compensation level of Stow patrol officers is only marginally below the prevailing wage rate for similar positions in the surrounding labor market, the City is well able to afford - and well-advised to pay - the enhancement sought by the Union in the form of advancement of the retroactive effective date for the 2005 wage increases, as well as advancement of the increase dates in the final two years of the Agreement. Accordingly, the OPBA's proposal is recommended.

15.01 Effective dates for new base rates of pay are as follows:

Patrolman

<i>1/1/05</i>	<i>2.8% increase in base wage rate</i>
<i>1/1/06</i>	<i>3.2% increase in base wage rate</i>
<i>1/1/07</i>	<i>3.2% increase in base wage rate</i>

2. Article XIX – Hospitalization: Prescription drug reimbursement

OPBA Proposal:

The Union maintains that the City's organized and other employees covered under the self-insured prescription drug benefit are dissatisfied with the current reimbursement process. At present, the OPBA says, bargaining unit members are required to purchase prescription

drugs at full retail cost, and are only then and with some difficulty reimbursed for the purchase.

Although it acknowledges that the City reimburses 100% of the cost of prescription drugs to covered employees, the Union points out that full reimbursement is dependent on a bargaining unit member or family having first met the maximum out of pocket level under the City's health care plan. As a result of this requirement, police officers or their families experiencing medical conditions requiring extraordinary cash outlays may be faced with an inability to obtain necessary prescription medicine, simply because they lack the cash or credit for the initial outlay under the City's reimbursement plan. In support of this position, the OPBA offered testimony to the effect that one bargaining unit member had been required to pay for a prescription at a retail cost of some \$600.00, and was forced to await reimbursement from the City. The Union contends that the process for reimbursement is time consuming and problematic, and can sometimes take 6 to 12 weeks before compensation arrives through Klais & Co. the Employer's health plan administrator.

In the course of these negotiations OPBA officers agreed to participate in health care costs, beginning in January of 2007, in the form of monthly contributions; increased deductibles; and increased maximum out-of-pocket amounts. In consideration for these concessions - which it agrees are comparable to employee participation levels in peer communities - the Union argues that bargaining unit members should receive health care benefits equal to those of other communities as well. In support of this, the OPBA presents a survey conducted with the assistance of the City's finance department. That survey indicates that comparable contiguous jurisdictions all offer employees health care cards ranging in benefit levels from \$5 - generic/\$10 - brand name/\$5 - no generic equivalent to \$12 - generic/\$30 - brand preferred/\$50 brand non-preferred.

The Union rejects the City's argument that prescription drug cards would result in more than a 20% increase in prescription drug costs due to increased usage. No prescription can be filled without that prescription having been written by a physician first. Presumably those prescriptions are written for specific medical conditions. Therefore, the OPBA argues, unless bargaining unit members decline to fill necessary prescriptions, no increase in cost should accrue to the Employer. Conversely, the Union contends that under the present reimbursement system bargaining unit members may not be able to afford needed

prescriptions due to lack of cash or credit necessary to obtain them.

Accordingly, the Union proposes contract provisions requiring the City to provide prescription drug cards in place of the current reimbursement process.

City Position:

The Employer opposes the Union's proposal on grounds that the present reimbursement system is of long standing and is proven. The OPBA's objection to the current method is merely a matter of increased convenience, the City argues: no increase in the actual benefit provided City workers would result from issuance of a prescription drug card.

In fact, the Employer cites information from its self-funded health plan administrator, Klais & Co, that conversion to a card plan from the present reimbursement system would result in a 23.6% increase in usage, based on the average experienced within the Company's public sector clients. Because the City is bound by "me-too" language in other bargaining agreements, it does not have the option of offering a prescription drug card only to its patrol officers, but must provide the same benefit to all covered employees, at an increased cost to the City of between \$77,000 and \$134,000 per year.

The Employer counters the Union's argument that no card usage can occur until prescriptions are written by citing additional information provided by Klais, indicating that employees tend to unnecessarily stockpile certain prescription medicines after the effects have been achieved, as well as encouraging physicians to write unnecessary prescriptions.

The City argues that its present level of prescription drug coverage is excellent, providing 100% coverage after the maximum out of pocket requirements of the general health plan have been met. Moreover, the Employer contends that the present system is effective and reimbursement normally occurs within a reasonable time period. Given the greatly increased costs represented by conversion to a prescription drug card system, the City maintains that "the juice is not worth the squeeze".

During mediation of outstanding issues, the City proposed language that would address Union concerns that lack of available cash or credit would prohibit bargaining unit members from obtaining needed prescription medication. It also proposed to subsidize any bargaining unit member wishing to take advantage of the prescription drug card offered by

AFSCME.

Under the first proposal, the City would establish a fund or similar credit mechanism providing for purchase of prescription medication exceeding \$250 as the result of a single, same-day medical event, subject to later repayment of any deductible or co-insurance obligations.

Under the AFSCME card proposal, the City would pay the first \$100 of the monthly AFSCME prescription drug card premium. Employees electing the AFSCME coverage would not be eligible for further Employee prescription drug assistance.

The Employer also raises the issue of whether provision of a prescription drug card is a mandatory or permissive subject for bargaining. The question is not the benefit provided, but how the Employer administers that benefit, which the City argues is not compensation, or a term or condition of employment, but rather an administrative exercise of management discretion, and therefore not a mandatory issue which the Union may bring to impasse. In support of this position the City presents a memorandum citing, *inter alia*, *SERB v. Cleveland Heights-University Heights Board of Education*, SERB 97-005 (March 27, 1997) in which the Board held that the utilization of a Medicaid billing program was permissive, in that the only effect on employees was that they were required to fill out forms.

For these reasons, the City urges the Factfinder to determine that the prescription drug card proposed by the Union is would be exceedingly costly to the Employer, while providing no increased benefit to bargaining unit members, and to accordingly recommend the City's proposals.

Findings & Recommendation:

The City's argument regarding the permissive nature of its current prescription drug coverage is interesting and possibly not without merit: conversion from the existing reimbursement system to provision of a prescription drug card may indeed be a matter of the administration rather than the amount of the provided benefit, and is therefore not properly brought to impasse and proposed here by the Union. However, it is also not a matter within the jurisdiction of the statutory fact-finding process. The City must properly have brought the issue to the Board for determination as to whether or not the OPBA's impasse demand constituted an Unfair Labor Practice under Ohio law. Accordingly, it will be dismissed

without further direct comment.

Notwithstanding that determination of what constitutes mandatory or permissive subject matter is beyond the Factfinder's jurisdiction, distinction between the amount of benefit and the manner of its administration is a legitimate consideration in determining the appropriateness of the Union's proposal. In that regard, no evidence was presented to indicate that the present prescription drug coverage provided by the City is outside the range of similar benefits afforded by comparable or contiguous communities, even according to the Union's survey introduced as its Exhibit 1. In fact, in certain circumstances, it is reasonable to believe that Stow's prescription drug coverage exceeds others within the market area. The City currently provides an AFSCME prescription drug benefit of 90% of all prescriptions up to \$250; after which employees must satisfy the maximum out-of-pocket for all health care; after which they receive 100% reimbursement of all prescription drug costs.

At issue then is whether the present reimbursement mechanism offered by the City constitutes a sufficient burden on individual employees and their families as to warrant the cost of converting to a drug card; that is, in the City's oft-used but often apt aphorism: is the juice of a prescription drug card worth the squeeze of changing the mechanism of its administration? Consideration leads to the conclusion that it is not.

While the City offers no data to support the conclusions asserted by Klais & Co. that its prescription drug costs would increase in excess of 20% if Stow chose to convert to a card system, the notion of adverse selection in other areas of health care is well documented. Employees having access to health care for low or no cost tend to be less restricted in seeking unnecessary or marginally necessary medical care than those required to participate in the expense of its provision, either through premium co-pays, office visit fees or other sharing mechanisms. It is not unreasonable to believe that the phenomenon extends to prescription drugs as well: the unnecessary prescription of antibiotics in cases of viral infections at the behest of parents, despite their inefficacy, is a practice of some notoriety. So too is the tendency of patients to stockpile medication against future illnesses. (This is not to say, of course, that utilization of such stored medications does not equally obviate additional doctor's visits in the future.)

The City argues, somewhat persuasively, that the cost of providing prescription drug coverage through a card system is reflected in the amount charged by AFSCME, which

provides a prescription card benefit to all unionized employees in workplaces having AFSCME bargaining units. That card costs \$133 per month for a program under which the employee is required to pay 10% of all prescription drug costs, up to a cap of \$2,000 annually. Presently, Klais ascertains the Employer's per-employee cost for the prescription drug benefit to be \$91.49. The City offers to subsidize \$100 per month of the cost for any bargaining unit member wishing coverage under the AFSCME card plan.

The burden imposed on individual employees under the City's reimbursement system was documented largely by anecdote and hearsay. While some officers contended that they or others had waited undue amounts of time for reimbursement, or had simply given up on the process, little or no direct evidence indicated that bargaining unit members had been deprived of prescription drugs or had suffered losses. The City's Personnel Accounting Supervisor stated that her informal poll – based on statements made by employees with whom she dealt in health care matters – indicated little dissatisfaction with the current prescription drug procedure. The reasonable determination is that a certain amount of difficulty in processing reimbursements may in fact take place, but is not normative. In any case the City has a staff person whose function is to deal with such problems, and no evidence was presented to indicate significant problems.

Of more concern to this Factfinder were suggestions that certain catastrophic medical events might result in bargaining unit members lacking the cash or credit necessary to obtain medication they or their family members required. To address this potential problem, it was proposed that a fund or credit mechanism be established, through which officers could obtain needed medication costing more than \$250 for single events without being required to advance their own cash or credit.

Consideration of the testimony and evidence presented leads to the conclusion that the present benefit is commensurate in amount with prescription drug coverage provided by comparable surrounding communities; and that conversion from the present reimbursement system to the more common but unquestionably more costly prescription drug card does not warrant the expense. The Employer having addressed the issue of catastrophic costs by agreeing to the establishment of a contingency fund or credit mechanism, its proposals to modify the existing reimbursement system are recommended.

Current contract provisions, with the addition of:

Effective January 1, 2006, OPBA Patrolmen will be given the option of obtaining an Ohio AFSCME Care prescription card if they are accepted by the Ohio AFSCME Care Plan. The City will pay the first one hundred dollars (\$100.00) per month per employee toward the cost of the premium for the card, and the employee will pay any premium in excess of one hundred dollars (\$100.00) per month. If an employee selects the Ohio AFSCME Care prescription card option, the employee and his family will then be exclusively on such AFSCME prescription card for all prescription/drug costs, and the City shall not pay any amounts not covered or paid by the Ohio AFSCME Care Plan through its prescription card such as required co-payments or similar obligations or costs in excess of any cap. The City shall not pay premiums for any other AFSCME Care prescription program as long as an employee is covered by the Ohio AFSCME Care prescription card.

Effective January 1, 2006, for employees not electing to obtain an Ohio AFSCME Care Plan prescription card, the City shall establish a fund or credit mechanism to enable such employees to purchase on credit prescriptions amounting to at least two hundred and fifty dollars (\$250.00) or more in a single, same-day expenditure or purchase. Any deductible and co-insurance obligations of the employee and/or his family under the City of Stow Employee Group Health Benefit Plan will continue to apply. The design and structure of the fund or credit mechanism will be the sole responsibility of the City, and the City may, at its option, restrict such expenditures or purchases to designated stores or outlets as long as such stores or outlets are reasonably available in the area.

3. Article XIX – Hospitalization: Maximum lifetime limit

OPBA Proposal:

The Union argues that the current overall lifetime maximum health care coverage of \$1.5 million is inadequate to meet contemporary needs. Accordingly, it proposes increasing the current lifetime maximum to \$2.0 million.

City Position:

The City agrees that raising the overall lifetime maximum under its self-insured program is reasonable, if the increase can be effected administratively, rather than memorialized in the Agreement.

Findings & Recommendation:

With health care costs soaring, a 25% increase in maximum lifetime coverage is reasonable, and will be recommended. As both Parties were amenable to the increase – and

indeed, as all Stow employees, including management are covered by the maximum under the me-too language of Section 19.01 – it is not unreasonable to accordingly recommend the City’s proposal that an increase to \$2.0 million overall lifetime maximum be effected administratively.

SUMMARY

FINDINGS AND RECOMMENDATIONS

1. Article XV – Rates of Pay: Effective date of wage increase

15.01 Effective dates for new base rates of pay are as follows:

Patrolman

1/1/05

1/1/06

1/1/07

2. Article XIX – Hospitalization: Prescription drug reimbursement

Current contract provisions, with the addition of:

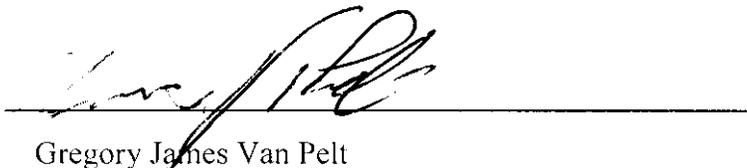
Provision of a fund or credit mechanism assuring the availability of prescription drugs to bargaining unit members encountering medication costs in excess of \$250. as the result of a single event.

Availability of AFSCME prescription drug card plan, \$100 per month of the cost of which is to be subsidized by the Employer.

3. Article XIX – Hospitalization: Maximum lifetime limit

Administrative increase of overall lifetime maximum health care coverage to \$2.0 million.

4. Any and all tentative agreements heretofore entered into between the Parties



Gregory James Van Pelt

Respectfully submitted this 12th day of October, 2005
At Shaker Heights, Cuyahoga County, Ohio