

**STATE OF OHIO
STATE EMPLOYMENT RELATIONS BOARD**

STATE EMPLOYMENT
RELATIONS BOARD

CITY OF ZANESVILLE,

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EMPLOYER,

:

and

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Case No. 05-MED-07-0769

**ZANESVILLE PROFESSIONAL FIRE FIGHTERS
LOCAL # 88 INTERNATIONAL ASSOCIATION OF
FIREFIGHTERS, AFL-CIO-CLC,**

:

EMPLOYEE ORGANIZATION.

:

FACTFINDER'S RECOMMENDATION

FACTFINDER:

Philip H. Sheridan, Jr.
Attorney at Law
915 South High Street
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(614) 445-0733

FOR THE UNION:

John Fisk, President
Local # 88 I.A.F.F.
332 South Street
Zanesville, OH 43701

FOR THE CITY:

Dale Raines, Budget & Finance Director
City of Zanesville.
401 Market Street
Zanesville, Ohio 43701

March 9, 2006

FACTFINDING

STATEMENT OF CASE:

The parties, the City of Zanesville, represented by Dale Raines, Budget & Finance Director, City of Zanesville, and the bargaining unit, Zanesville Professional Firefighters, Local # 88 International Association of Fire Fighters, AFL-CIO-CLC. the exclusive bargaining agent for all permanent uniformed City employees of the Fire Department below the rank of Assistant Fire Chief, represented by John Fisk, President of the Local, have entered into negotiations for a contract between the parties to take effect January 1, 2006, and to expire December 31, 2008.

The parties have engaged in previous contract negotiations leading to agreed contracts. The parties attached a copy of the expired collective bargaining agreement.

The parties met and bargained in good faith, and were able to agree on all but six Articles of the contract. Pursuant to R.C. §4117.14 and Admin. R. 4117-9-05, the State Employment Relations Board appointed Philip H. Sheridan, Jr., 915 South High Street, Columbus, Ohio, as fact-finder.

The parties agreed to a fact-finding hearing on February 16, 2006, and the meeting was convened at 10:00 a.m. at the Zanesville City Hall Conference Room. In addition to the Mr. Raines, Mayor Howard Zwelling, Fire Chief David A. Lacy, and Law Director Scott Hillis appeared for the City. In addition to Mr. Fisk, Vice President Kenneth Jones, II, Secretary Jeff Jadwin, and Stephen Vincent, John C. Redman, and Gale S. Law, members of the local representing the three turns, appeared on behalf of the bargaining unit. The parties agreed that the remaining Articles at issue were not amenable to additional mediation. The matter was submitted upon statements, documents and arguments presented to the fact finder. The parties agreed that the

fact finder's recommendation would be issued and served by overnight mail and email on March 9, 2006.

According to the provisions of R.C. Chapter 4117, the parties provided me with a copy of the current contract, the issues which have been resolved, the unresolved issues, and each party's final offer on the unresolved issues.

In issuing this fact-finding recommendation, I have given consideration to the provisions of R.C. Chapter 4117, and in particular, the criteria contained within R.C. § 4117.14(G)(7)(a)-(f).

ISSUES AT IMPASSE

ARTICLE 9, WAGES

ARTICLE 12, VACATION/HOLIDAYS

ARTICLE 13, INSURANCE SCHEDULE

ARTICLE 14, SICK/INJURY LEAVE

ARTICLE 20. PHYSICAL EXAMINATION

APPENDICES 1-111. WAGES

POSITION OF THE PARTIES, DISCUSSION AND RECOMMENDATIONS

ARTICLE 9, WAGES

APPENDICES I-III. WAGES

On Section 9.1 the parties have reached a tentative agreement.

Section 9.2(E)

The City's Position:

The City proposes a one-year suspension of step raises as a part of its overall financial strategy. The employees who are affected and are not in the fourth step would receive a double step

raise in 2007 to make up for the decrease. The City points out that it is proposing the same language across-the-board to the other bargaining units. The City's revenues have not increased enough to cover the increases in pay imposed in the last contract or the increased health care and related costs.

The Firefighters' Position:

The bargaining unit is against the change. Step raises have been a part of the contract for some time, and the eight employees affected would receive between 44 cents per hour and \$1.53 per hour less if the step raise were postponed during 2006. Five of the eight would not be entitled to a double step in 2007 because they should go into the highest step in 2006. This doesn't seem like a fair way to balance the budget to the bargaining unit.

Discussion and recommendation:

I recommend no change in the language as contained in the expired contract. Section 9.2(E) should not be adopted. I agree with the bargaining unit that singling out the eight employees for a postponement of their step raises is not justified by the evidence presented and the arguments made by the City.

Appendices I – III, Wages

The City's Position:

The City proposes a wage freeze in 2006, a 3 percent across-the-board increase in pay effective January 1, 2007, and a 4 percent across-the-board increase in pay effective January 1, 2008. The City asserts that it is making the same proposals to all of its bargaining units. The City faces a \$1.1 million shortfall in budgeting for 2006. In order to balance the budget the City must have a freeze. The General Fund, which provides the revenue for personnel costs in the Fire

Department, is made up of 60 percent income tax, and the income tax collection is flat. The Workers Compensation premium for the City has almost doubled in the three years of the last contract because of some catastrophic injuries, and health insurance costs have also soared. The City has taken responsible steps to reduce its spending, adding the remainder of a rainy day fund to the budget and raising sanitation rates. The spending carry over of the City has also been significantly reduced. The Mayor testified that the City needs a pause in the constant increase in expenditures that the City has experienced so that it can regroup and get back to the more normal 4 percent raises that the bargaining unit members have enjoyed in recent years.

The Firefighters' Position:

The bargaining unit proposes a 6 percent across-the-board increase in pay effective January 2006, a 6 percent across-the-board increase in pay effective January 2007, and an 8 percent across-the-board increase in pay effective January 2008. The bargaining unit emphasizes the extra hours that the bargaining unit members work as compared with all of the comparable cities that both sides use because of the lack of "Kelly" days. The bargaining unit compares itself most closely with Lancaster and Newark, and argues that it would better match up with those communities after the increases it is proposing.

Discussion and recommendation:

I recommend a 1.5 percent across-the-board increase in pay retroactive to the expiration of the previous contract and a .5 percent pension pick-up in that same period, a 3.0 percent across-the-board increase in pay effective January 2007, and a 4.0 percent across-the-board increase in pay effective January 2008. I am convinced that the City made its case for smaller wage increases than the bargaining unit enjoyed in the last several contracts. However, the City is able to pay. The

doom and gloom on the future of the economy is a slender reed on which to base a zero offer in the first year of the contract, given the parties' history. However, it does appear that the City's revenues have not kept pace over the last three years with the significant increases in personnel related costs.

Article 12, Vacation/Holidays

Section 12.6 Accumulation of Vacation

The City's Position:

The City proposes allowing Fire Fighters with 19 years or more of service to carry over 540 hours of vacation from year to year. This is an increase of 180 hours over the amount carried over under the expired contract. The City argues that because this bargaining unit earns all of its vacation in January of each year it would be excessive if the bargaining unit members carried over 720 hours each year as the bargaining unit proposes. This would add a significant potential cost to the City on retirement.

The Firefighters' Position:

The bargaining unit proposed carrying over 720 hours, based on its belief that under the language of the previous contract on January 1 a bargaining unit member with 19 years or more of service is entitled to carry over the 2 years of accumulated vacation leave, which is 720 hours, and then the member would be entitled to an additional 360 hours, the amount of vacation accrued in that year.

Discussion and recommendation:

I recommend the City's proposal and adopt by reference the language proposed for Section 12.6, based on the overall financial picture and the potential impact of such an increase. Vacation should to be used, and not saved for lump sum retirement payouts.

Section 12.11, Holiday Pay

The City's Position:

The City proposes adding 2 holidays to the existing 6 holidays listed in the expired contract. The City does not propose any change in how overtime is paid, and only those bargaining unit members who must work on the listed holidays will be paid at one and one half times their normal rate of pay. This is another cost issue to the City, and the City offered the increase as a compromise to the 5 additional holidays proposed by the bargaining unit. The City argues that the bargaining unit members enjoy increased accumulation of vacation leave as a substitute for the holiday pay for every holiday that other City employees enjoy.

The Firefighters' Position:

The bargaining unit proposes 5 new holidays and overtime rates for those holidays the same as other employees of the City receive. The bargaining unit argues that the extra work performed by the members skew the comparables and even reading the vacation and holiday accruals together, the bargaining unit should receive the holiday pay it proposes.

Discussion and recommendation:

I recommend that bargaining unit members who work on the following holidays be paid one and one half times their normal rate of pay: New Year's Day, Martin Luther King Day, Memorial Day, Independence Day, Labor Day, Veterans' Day, Thanksgiving Day, and Christmas Day.

Working on holidays is a fact of life for an operation that runs 365 days a year, 24 hours a day. It is a hardship, and I think that those employees who actually work 24 hours on the above listed days are especially deserving of the additional compensation. Again, this is an economic issue, and I prefer the City's choice of holidays solely for that reason.

Article 13 Insurance Schedule

On Section 13.1(A) the parties have reached a tentative agreement.

Section 13.1(B)

The City's Position:

The City proposes, effective January 1, 2007, that bargaining unit member's spouses will not be provided primary coverage under the City's Health Insurance Plan if the spouse has health insurance available through his or her employer. There are exceptions based on rate of pay, number of hours worked, and amount of premium the spouse would have to pay. The City currently has very low cost plans and a high percentage of spouses are enjoying coverage when some of the cost could be shifted to the spouses' employers.

The Firefighters' Position:

The bargaining unit opposes the change in the contract. The City's plan has too many holes in it and is impossible to administer. It does not take into consideration the wide variety of plans that may or may not be available. The bargaining unit sees the City's proposal as a net pay cut to their families.

Discussion and recommendation:

I recommend no change in the contract. This appears to me to be something that should be the subject of negotiation and compromise. I am not aware of such clauses in contracts for safety

forces that I have reviewed. There are too many issues concerning coverage, deductibles, pre-existing conditions, and prospective discipline, to name a few that come to mind that have not been discussed, let alone negotiated.

Section 13.2(B) Content of Insurance Plan

The parties have tentatively agreed on the prescription drug co-pay amounts contained in this section.

The City's Position:

The City would increase the single and family deductibles under the Health Insurance Plan effective January 2008 from \$100 to \$150 for single coverage and from \$300 to \$350 for family coverage. The City points out that all of the other bargaining units already have the higher deductibles, and the City is moving the unaffiliated employees' deductible to those amounts as well. There is one Health Insurance Plan for all of the City's employees, and they all ought to have the same coverage, deductibles, and premiums.

The Firefighters' Position:

The bargaining unit opposes the increase in deductibles. It is an increased cost to them that should have been negotiated and adopted through compromise.

Discussion and recommendation:

Both sides have persuasive arguments on this section, and either position would be reasonable. I recommend the City's position and adopt by reference its contract language on this issue. The costs are clearly increasing and the City is self-insured, the bargaining unit members should shoulder some of the increased costs, and administrative efficiency would be improved with all City employees having the same deductibles.

On Section 13.5, Insurance Grievances, the parties have reached a tentative agreement.

Article 14 Sick/Injury Leave

On Section 14.4, Termination of Employment, the parties have reached a tentative agreement.

On Section 14.7(B), Injury Leave, the parties have reached a tentative agreement.

On Section 14.9, Abuse of Sick Leave, the parties have reached a tentative agreement.

Article 20 Physical Examination

On Article 20(B), Physical Examination, the parties have reached a tentative agreement.

CONCLUSION

I recommend that the parties adopt the tentative agreements reached by them. The parties cooperated in presenting their positions to me, and in communicating with each other. The courtesy and professional behavior was evidence of the good relations between the parties. Good faith bargaining does not necessarily lead to agreement, but I encourage the parties to continue to bargain in good faith even if they are unable to agree on my recommendations.

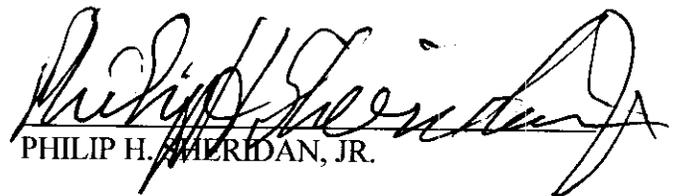
Respectfully submitted,


PHILIP H. SHERIDAN, JR.

March 9, 2006

CERTIFICATE OF SERVICE

I hereby certify that I mailed a copy of this Fact finder's recommendation to the parties by overnight delivery, by email on the designated persons, and by ordinary U.S. Mail, postage prepaid, to the State Employment Relations Board, this 9th day of March 2006.


PHILIP H. MERIDAN, JR.