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

CITY OF WESTLAKE)	CASE NO. 06-MED-11-1352
)	
)	
AND)	
)	<u>FINDINGS</u>
)	AND
INTERNATIONAL ASSOCIATION OF FIREFIGHTERS, LOCAL 1814)	<u>RECOMMENDATIONS</u>
)	

JAMES M. MANCINI, FACT-FINDER

APPEARANCES:

FOR THE UNION

Ryan J. Lemmerbrock, Esq.

FOR THE CITY

Gary C. Johnson, Esq.

SUBMISSION

This matter concerns fact-finding proceedings between the City of Westlake (hereinafter referred to as the Employer or City) and the International Association of Fire Fighters, Local 1814 (hereinafter referred to as the Union). The State Employment Relations Board (SERB) duly appointed the undersigned as fact-finder in this matter. The fact-finding proceedings took place on November 8 and 26, 2007.

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 proceeding, this fact-finder attempted mediation of the issues at impasse with the various issues being tentatively agreed upon by the parties. The issues remaining for this fact-finder's consideration are more fully set forth in this report.

The bargaining unit herein consists of all full-time firefighters, lieutenants and captains employed by the City in its fire department. There are approximately forty employees in the bargaining unit.

This fact-finder in rendering the following findings of fact and recommendations on issues at impasse has taken into consideration the criteria set forth in Ohio Revised Code Section 4117(G)(6)(7). Further, this fact-finder has taken into consideration all reliable evidence presented to the outstanding issues before him.

1. WAGES

The Union initially proposed wage increases of 4.5% in each year of the Agreement. The Union modified its position following mediation discussions and proposed base salary increases of 3.5% in each year of the Agreement along with payment of a Hazardous/Materials Operations Certification Pay, as well as an increase in the clothing allowance of \$100. With respect to the Hazardous/Materials Operations Pay, the Union proposes that employees receive an annual payment of \$300. The City proposes 2% wage increases for each year of the three year Agreement. The City opposes the new Hazardous/Materials Operations Pay provision proposed by the Union. The City as part of its proposal would agree to increase the clothing allowance by \$100.

The Union contends that its modified wage proposal is reasonable especially in light of the recent fact-finding report with respect to the City's police unit. That fact-finder recommended increases of 3.5% for 2007, 2008 and 2009. In addition, it was recommended that the police unit receive a new firearms proficiency allowance of \$300 per year as well as a shift differential increase of \$.10 per hour. The Firefighter's alternative wage proposal is in line with that which the fact-finder recommended in the police unit case as opposed to the City's wage offer of only 2% each year. Moreover, the Union argues that its wage proposal is warranted based upon comparables. Finally, the Union submits that its modified wage proposal is needed to offset the cost of the changes in the healthcare plan proposed by the City.

The Employer argues that its wage proposal is only slightly below that of the cost of living increases. It also submits that the proposed increases are comparable to others in the area. Moreover, the City points out that the fact-finder's report in the police unit's case was rejected because of the recommendation for a new firearm proficiency allowance. In the instant case, the Union's proposals regarding other provisions require a reduction in the wage increase recommended by the police fact-finder.

ANALYSIS – Based upon a careful review of the evidence, this fact-finder recommends that there be 3.5% wage increases in each year of the three year Agreement. Such increases would be in line with those provided to firefighters in the area. With the 3.5% wage increases, the Westlake Firefighters will be able to retain their relatively high ranking with respect to wages in comparable jurisdictions. In the first year of the Agreement, the 3.5% increase would raise the firefighters' top salary to approximately \$61,779. As a result, of the neighboring jurisdictions only Middleburgh Heights firefighters would have a greater top wage. The wage recommendation herein would also be in line with that recommended by the fact-finder in the police unit case. It should be noted that there is no dispute that the first year wages are to be retroactive to March 1, 2007.

This fact-finder has further determined that the evidence submitted fails to support the Union's proposal for a new Hazardous/Materials Operations Pay Provision. The Union requested an annual payment of \$300 for those employees certified in hazardous/materials operations. However, the Union could cite only one other neighboring jurisdiction which

has a similar provision for its firefighters. Therefore, there is insufficient support among the comparable cities to recommend the Union's proposal.

The Union relies on the fact-finder's recommendation made in the police unit's case. There, the fact-finder did recommend a new firearms proficiency payment of \$300 per year. The Union submits that a similar allowance for firefighters is necessary to offset the cost associated with the healthcare plan changes proposed by the City. However, it is important to note that the firearm proficiency allowance recommended by the fact-finder in the police case was not rendered in order to offset healthcare cost increases. Rather as the fact-finder states in his opinion, the comparable data supplied by the police union showed that most of the cities in Cuyahoga County offer firearm proficiency allowances. As previously discussed, such comparable support for Hazardous/Materials Operations allowance for firefighters here cannot be found in neighboring jurisdictions. To the contrary, there was only one other city which provides its firefighters with an allowance for being certified in hazardous/materials operations. Therefore, this fact-finder in the instant matter must find that the Union's reliance on the police unit fact-finder's report is misplaced. Moreover, it should be noted that the police unit case is proceeding to conciliation because the City rejected the report in large measure because of the additional firearms proficiency allowance recommend for the police unit.

The parties herein have agreed to increase the uniform allowance for the firefighters by \$100. This means that each employee is to receive an annual clothing allowance of \$1,000 for the purchase of regulation uniforms and clothing.

RECOMMENDATION

It is the recommendation of this fact-finder that there be 3.5% wage increases in each year of the three year Agreement as more fully set forth below:

WAGES

Retroactive to March 1, 2007 – Three and one-half percent (3.5%) increase.

Effective March 1, 2008 – Three and one-half percent (3.5%) increase.

Effective March 1, 2009 – Three and one-half percent (3.5%) increase.

This fact-finder does not recommend the Union's proposal for an additional Three Hundred Dollars (\$300.00) annual payment for employees certified in hazardous/materials operations.

Clothing Allowance is to be increased by One Hundred Dollars (\$100.00).

2. HEALTH BENEFITS

The Employer proposes to modify the existing health plan which would include increases in deductibles, co-pays and co-insurance. In addition, the City proposes that employees pay \$35 for a family plan starting January 1, 2008 and \$45 starting January 1, 2009. The Union opposes the changes proposed by the City with respect to the healthcare plan currently in effect. If no changes are made to the healthcare plan then the Union would propose that employee contribution towards premiums be increased to \$35 per month in 2007, \$45 per month in 2008, and \$55 per month in 2009.

The City contends that it would be appropriate to modify the existing healthcare plan to be the same as that set forth in the AFSCME settlement. Likewise, it would be identical to the healthcare plan recommended by the fact-finder in the police unit negotiations. Essentially, this would call for increases in deductibles and co-pays as well as co-insurance which would thereby reduce the healthcare cost for the City. The City points out that contrary to the Union's claim, only a small fraction of the bargaining unit would be affected by the changes in the healthcare plan.

The Union acknowledges that healthcare costs are rising. However, the City's proposal seeks to shift an incredible amount of healthcare costs onto the firefighters. The proposal by the City would increase the annual healthcare costs of firefighters by approximately \$1,700 with additional increases for prescription co-pays. If the City's proposal is recommended, it would in effect cause a reduction in pay for the firefighters. The Union has proposed a more reasonable increase in its share of healthcare costs.

ANALYSIS – This fact-finder after reviewing the evidence and arguments presented by the parties hereby recommends the changes in the current healthcare plan as proposed by the City with respect to increases in deductibles, co-pays and out-of-pocket maximums. These increases will serve to reduce the cost of healthcare for the City. There is no dispute that healthcare costs have risen significantly during recent years for the City. Moreover, the recommended changes in the healthcare plan proposed by the City would be exactly the same as agreed upon by the AFSCME unit. The proposed plan herein is also identical to that recommended by the fact-finder in the police unit negotiations. It is also important to point out that not all of the members of the bargaining unit will be significantly affected by the changes in deductibles and co-pays set forth in the recommended healthcare plan. The evidence shows that based upon healthcare utilization in 2007, only a few of the firefighters in the bargaining unit could be significantly affected by the changes in co-pays and out-of-pocket maximums.

This fact-finder would recommend increases in the employee premium contributions for the final two years of the Contract. The fact-finder finds that it would be reasonable to increase employee contributions from the current \$25 per month for family coverage to \$35 in 2008, and \$45 in 2009. There was no basis established for varying from the AFSCME contract with respect to employee premium contributions. Moreover, the recommended employee contributions would be in line with those found in other comparable cities.

It should also be noted that the only variation from the AFSCME agreement which this fact-finder would recommend is found in the non-formulary drug provision. In the AFSCME agreement, employees contribute thirty percent of the prescription cost for non-formulary drugs. This would be too expensive for employees who may have to depend on such drugs. A more reasonable approach would be to provide for a \$30.00 co-pay for non-formulary drugs. Such would be in line with co-pays found in other neighboring jurisdictions for non-formulary drugs.

RECOMMENDATION

This fact-finder recommends the basic changes proposed by the City with respect to the Healthcare Plan with employee contributions towards premiums increasing to \$35 per month in 2008 and to \$45 per month for family coverage in 2009.

HEALTH BENEFITS

Bargaining unit members shall receive medical, hospitalization, dental, eye-care and prescription coverage as follows:

a. Employee co-pay participation:

Tier:	80/20 limit	80/20 max out-of-pocket
Single:	80/20 of max \$5,000	= \$1,000.00
Employee + 1:	80/20 of max \$7,500	= \$1,500.00
Family:	80/20 of max \$10,000	= \$2,000.00

The max out-of-pocket is for co-payment portion only. All other deductibles apply. Deductibles shall be \$100.00 for single and \$200.00 for single + 1 or family.

b. Office visit participation:

- i. \$10.00 per visit (not included in calculation of deductible or out-of-pocket maximum).
- ii. Non-emergency use of emergency room - \$75.00 per visit.

c. Prescription co-pays:

- i. Generic (level 1) \$0 - only applicable to generics available from all discounted generic providers (\$4.00 will be reimbursed by City).

Generic (level 2) \$10.00

- ii. Formulary (preferred) \$20.00

- iii. Non-formulary - \$30.00 of prescription cost.

Employees shall continue to pay the difference when a name brand or formulary is selected over an available generic or formulary.

Premium sharing: Employees shall be required to share in the employer's cost for premiums. The premium sharing shall be 5% of the total cost per employee per coverage type per month subject to the following monthly maximums : January 1, 2007 - \$25; January 1, 2008 - \$35; and January 1, 2009 - \$45.

CONCLUSION

In 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 would recommend that all tentative agreements previously reached by the parties be incorporated into their final Agreement. This would include the tentative agreements reached at the fact-finding hearing on November 26, 2007.

JANUARY 14, 2008



JAMES M. MANCINI, FACT-FINDER