



## **SUBMISSION**

The Parties in the present negotiation have had an ongoing collective bargaining relationship culminating in an Agreement that obtained until March 31, 2008. Mutually agreeing to an extension of the statutory deadlines, the Parties met in negotiations toward a successor contract on five occasions prior to reaching impasse on the issues enumerated below.

Pursuant to the provisions of Ohio Revised Code 4117.14(C)(3), the undersigned was appointed Fact-finder in the matter. Having reached impasse, the Parties requested that the Fact-finder attempt mediation of unresolved issues prior to holding an evidentiary hearing. A mediation session was accordingly convened on September 10, 2008 at the offices of the Employer's attorney, Kastner, Westman & Wilkins, in Akron, Ohio. Mediation failed to resolve the remaining issues below. Accordingly, an evidentiary hearing was held following mediation, at which the Parties were afforded an opportunity to present evidence and testimony, and to cross examine witnesses. The matter was declared closed on September 10, 2008.

## **ISSUES AT IMPASSE**

The Parties identified and presented the following issues as unresolved:

- 1. Article XXI - Wages**
- 2. Article XIX – Health Coverage**

## **TENTATIVE AGREEMENTS**

Prior to hearing the Parties reached the following tentative agreements, memorialized by reference and recommended herein:

- 1. Article X – Arbitration**
- 2. Article XI – Leaves of Absence**
- 3. Article XIII – Vacation Leave**
- 4. Article XIV – Holiday Leave**
- 5. Article XVI – Sick Leave**
- 6. Article XVII – Funeral Leave**
- 7. Article XVIII – Out of Classification Pay**
- 8. Article XXI – Hours of Work**
- 9. Article XXIII – Longevity**
- 10. Article XXIV – Miscellaneous**
- 11. Article XXVII – Special Certification Pay**
- 12. Article XXVIII – Seminars and Training**
- 13. Article XXIX – Residency**
- 14. Article XXX – Substance Abuse**
- 15. Article XXI – Promotions**
- 16. Article XXXII – Negotiating Procedure**

Any and all other mutually accepted tentative agreements.

### **STATUTORY CONSIDERATIONS**

In weighing the positions presented by the Parties, the Fact-finder 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 southern Summit County, the City of Green (City or Employer) is an affluent bedroom community situated approximately halfway between the City of Akron to the north and Canton to the south. The City provides fire and emergency medical services to its approximately 21,000 residents through a Fire Division operating from two Fire Stations. The City's approximately 42 fulltime Firefighter/Paramedics, Firefighter/Engineer, Lieutenants and Captains are represented by IAFF Local 2964 (Union or Local 2964). The Employer and Union relate under the terms of a collective bargaining Agreement

(predecessor Agreement) that became effective on April 1, 2004 and obtained through March 31, 2008.

By all standards the Employer is an affluent, well-administered political entity. While the City is primarily residential, it enjoys a growing commercial sector. Green's Comprehensive Financial Report (CAFR) for the year ended December 31, 2006, indicates that the City has total net assets of nearly \$108 million, an increase of almost 16% over the previous year. According to the Mayor's State of the City Address of January 31, 2008, Green had income and property tax revenues of almost \$19 million for 2007, and a General Fund balance of \$15 million – an increase of \$8.5 million over 2006. In addition to other revenue sources, the City bills for ambulance transport services, a program that generated more than \$600,000 following its inception in January of 2006. The City enjoys a Standard & Poor's bond rating of AAA. Accordingly, there is no issue as to the Employer's ability to pay the compensation increases proposed by the Union.

In 2008 Green Firefighters responded to some 3,000 calls, an average of seven per day. In addition to certification in basic and advanced adult and pediatric life support City Firefighters are trained to respond to mass casualty incidents, aircraft crash-fire and rescue operations at the Akron-Canton Airport located in the City, and serve as "tactical medics" attached to the Summit County Sheriff's SWAT Team.<sup>1</sup> Bargaining unit members work a fifty-two hour work week.

Internally, the City paid wage increases to non-bargaining unit employees in 2007 ranging from 4.08% to 11.27%, for an average of 6.26%. The City's Dispatchers, represented by the American Federation of State, County and Municipal Employees, received wage increases of 16.25% in 2007, 2.5% in 2008 and 2.5% in 2009, in an attempt to bring compensation paid Green Dispatchers in line with comparable peer communities.

As is most frequently the case, the Parties here submit differing peer communities as comparable to the City of Green, in satisfaction of the requirements of OAC 4117-9-05(K)(2). The Employer proposes that Barberton, Coventry Township, Cuyahoga Falls and Springfield Township are comparable to Green with regard to wage increases; as are Barberton, Broadview Heights, Kent, Springfield Township, Streetsboro and Twinsburg with regard to health care premium contributions. To the City's proposed jurisdictions, the Union

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<sup>1</sup> Police services in the City of Green are provided under contract with the Summit County Sheriff's Office.

adds ten additional regional jurisdictions: Akron, Bath, Copley Township, Fairlawn, Kent, New Franklin, Norton, Stow, Tallmadge and Twinsburg as peer communities for purposes of determining comparable wage rates.

In consideration of the above factors, as well as those discussed below, the following findings and recommendations are respectfully submitted.<sup>1</sup>

## **FINDINGS AND RECOMMENDATIONS**

### **ARTICLE XIX** **HEALTH COVERAGE**

#### **Current Contract Language:**

- (a) The City agrees that it will continue in effect the March 1, 2004 (or substantially similar) group hospitalization, life, dental, vision, prescription, and accidental death and dismemberment insurance benefits for the duration of this Agreement, except as modified by this Agreement.

#### **Employer's Proposal:**

The City proposes that bargaining unit members contribute to the monthly premiums in an amount equal to 5% of the total monthly COBRA premium for health care coverage, to be capped at a maximum of \$30.00 per month for single coverage, and \$75.00 per month for family coverage.

The Employer maintains that the AFSCME bargaining unit, representing dispatchers, as well as non-bargaining unit employees of the City are currently contributing at the levels the Employer is proposing. Currently, employee contributions are approximately \$23.50 per month for single coverage, and \$58.82 per month for families. The City maintains that those amounts are comparable to premium contributions paid by firefighters in Barberton, Broadview Heights, Kent, Springfield Township, Streetsboro and Twinsburg.

Under the City's proposal the following language would be amended to Section (a):

**Beginning June 1, 2008, employees electing to participate in the City's health insurance shall contribute a sum equal to five percent (5%) of the total monthly premium (COBRA cost less administrative fees as calculated by the City's third party administrator) in effect for single or family coverage as elected by the**

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<sup>1</sup> The Fact-finder takes notice that the all-items CPI-U for the Cleveland-Akron area was 4.7% for the period Sept. 2007 – Sept. 2008, while trending downward .03% in the period July-September 2008. <http://www.bls.gov/ro5/cpicl.html>, visited on November 4, 2008.

**employee. For the term of this Agreement, the maximum employee contribution shall be thirty dollars (\$30.00) per month for single coverage and seventy-five dollars (\$75.00) per month for family coverage. If both spouses are employed by the City, they shall be offered one (1) family coverage but they may select the spouse that will make the premium contribution.**

**Union Position:**

The Union argues that the City is asking Firefighters to increase individual health care costs, while offering wage increases lower than those given other employees, despite what Local 2964 characterizes as the Employer's excellent financial position. The fact that AFSCME bargaining unit members contribute to health care premiums does not support the City's argument that Firefighters must do likewise.

If the City is concerned with increases in health care premiums, the Union asserts, language in the present Agreement provides for the Parties to meet to discuss revisions of benefit coverage and/or increasing deductibles and/or implementation of employee cost sharing. The Employer has failed to utilize those provisions in the past, except to use the joint committee to implement increases in employee health care costs recommended by the City's insurance broker outside of the collective bargaining process.

Thus the Employer has failed to utilize the contractual cost control mechanisms available under current contract provisions, yet seeks to increase bargaining unit contributions in Fact Finding. Therefore, the Union urges that current contract language be maintained.

**Findings and Recommendations:**

There is little question that the cost of health care – and the difficulty in budgeting for unpredictable and often precipitous increases – is a major difficulty for employers in both the private and public sectors. One aspect of this reality, particularly in the public sector, is the necessity for increases in employee participation in health care cost increases, not only in the form of increased co-pays, deductibles and maximum out of pocket expenses, but also in the form of premium contributions. Even in a relatively affluent community such as Green, some effort must be made to control health care cost increases.

Moreover, employer-provided health care plans are an area in which internal parity is a compelling consideration. It is both impracticable and unreasonable to require that an employer provide health coverage to one group of workers that it does not provide to all

covered employees. Here, there is unrefuted evidence that all other Green employees currently make the contributions proposed by the Employer, or will be required to do so in the near future. Neither are the contributions sought by the City excessive or out of line with the contributions required under contemporaneous public sector collective bargaining agreements.

However, it is necessary to recognize that the institution of new health care premium contributions visits on the employees involved a reduction in real income. As discussed in the issue of wages below, some accommodation is accordingly appropriate.

For the reasons set forth above, the Employer's proposal for employee health care contributions is recommended.

*(a) The City agrees that it will continue in effect the March 1, 2004 (or substantially similar) group hospitalization, life, dental, vision, prescription, and accidental death and dismemberment insurance benefits for the duration of this Agreement, except as modified by this Agreement.*

***Beginning June 1, 2008, employees electing to participate in the City's health insurance shall contribute a sum equal to five percent (5%) of the total monthly premium (COBRA cost less administrative fees as calculated by the City's third party administrator) in effect for single or family coverage as elected by the employee. For the term of this Agreement, the maximum employee contribution shall be thirty dollars (\$30.00) per month for single coverage and seventy-five dollars (\$75.00) per month for family coverage. If both spouses are employed by the City, they shall be offered one (1) family coverage but they may select the spouse that will make the premium contribution.***

## ARTICLE XXI WAGES

### **Current Contract Language:**

#### Section 1. Steps/Differentials

Effective upon approval of this Agreement by the City and the Union, the annual pay for employees in the bargaining unit shall be:

	2004	2005	2006	2007
Firefighter/Engineer	\$45,789	\$47,621	\$49,526	\$51,507
F/M 1	\$34,840	\$36,234	\$37,683	\$39,190
F/M 2	\$36,400	\$37,856	\$39,370	\$40,945
F/M 3	\$38,105	\$39,629	\$41,214	\$42,862
F/M 4	\$45,294	\$47,106	\$48,990	\$50,950
F/M 5	\$48,169	\$50,095	\$52,099	\$54,183
	10%	10%	10%	10%
Lieutenant	\$52,986	\$55,105	\$57,310	\$59,602

	10%	10%	10%	10%
Captain	\$58,285	\$60,616	\$63,041	\$65,562

**Employer’s Proposal:**

The City argues that during the course of negotiations it agreed to a number of economic benefits it values at a minimum of \$66,500. Accordingly, the Employer proposes wage increases of 2.5% per year in each of the Agreement’s three contract years.

Moreover, the Employer maintains that the rates proposed are comparable to wages paid firefighters in peer communities in the area such as Barberton, Coventry Township, Cuyahoga Falls and Springfield Township. Those increases range from 1.5% for some employees in Springfield Township, with a population of 17,000 close to that of Green, to 3.5% per year in Coventry Township, with a population of 11,000. Firefighters in Cuyahoga Falls, with a population of almost 50,000, received increases of 2.5% in each of the three contract years corresponding to the Employer’s proposals for the successor Agreement under negotiation here. Further, the wage increase proposed by the Employer is within the range of those paid the City’s Dispatchers, represented by AFSCME.

The City rejects the Union’s argument that contributions to health care proposed by the Employer and recommended by the Fact-finder will effectively diminish wage increases. That position, the City contends, is myopic: any one of the enhancements tentatively agreed to by the Parties more than compensates for the limited contributions to insurance premiums proposed by the City.

**Union Position:**

The Union points out that Green Firefighters work 52-hour work weeks, the second highest among comparable area departments, while bargaining unit members’ salaries and hourly wages are below those of colleagues in the same jurisdictions. In support of its position, Local 2964 presents comparisons of firefighter salaries in Green with those of Firefighter/Medics in some 15 other regional communities. This comparison asserts that Green Firefighters hourly wages in 2007 were \$20.03, as compared to a fifteen community average of \$21.85 for 2008. In order to elevate bargaining unit members to that average, it would require an annual wage increase of 9.06% in 2008.

Further, the Union argues that projecting the Employer’s wage proposals forward,

Local 2964 members would remain thirteenth among fifteen regional departments for each year of the successor Agreement. By contrast, the Union's proposal of 5% annual increases would elevate Green Firefighters to eleventh of sixteen in 2008; ninth of sixteen in 2009; and eighth in 2010. When compared to ten communities in the immediate area of Green, the City's proposed increases would leave Green ninth in projected compensation, while the increases proposed by the Union would elevate Green Firefighters to seventh position in 2008, and fifth in 2009 and 2010 respectively.

For these reasons, Local 2964 urges the Fact-finder to recommend its proposed increases.

**Findings and Recommendations:**

While there was no direct evidence presented that the City has difficulty attracting and retaining qualified Firefighters, the evidence does indicate that Green's Firefighters are marginally below market wage rates in the Akron-Canton metropolitan area. This conclusion is informed somewhat by the belief that members of Local 2964 possess an exceptionally high level of professional training and experience.

Moreover, as alluded to briefly above, any wage increases during the term of this Agreement will be somewhat offset by the health care premium contribution sought by the City and recommended by the Fact-finder.

Notwithstanding the need to moderately increase bargaining unit members' wages to bring them in line with area market wage rates, as well as to offset health premium contributions, the Employer's assertion that other compensation enhancements have been provided bargaining unit members elsewhere in this Agreement is well taken.

In consideration of the above, the Fact-finder recommends wage increases of 4% per year in each of the successor Agreement's three years, retroactive to April 1, 2008.

**SUMMARY OF RECOMMENDATIONS**

**Article XIX - HEALTH COVERAGE**

*Employer's proposal; 5% employee premium contribution, not to exceed \$30/\$75 monthly.*

**Article XXI – WAGES**

*4%-4%-4%*

**Any and all mutually accepted tentative agreements.**

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Gregory James Van Pelt

Respectfully submitted this 18<sup>th</sup> day of November, 2008  
At Shaker Heights, Cuyahoga County, Ohio