

STATE OF OHIO

STATE EMPLOYMENT RELATIONS BOARD

In the matter of	*	12-MED-10-1248
	*	
Fact-finding between:	*	
	*	Martin R. Fitts
The City of Springdale	*	Fact-finder
	*	
and	*	
	*	
IAFF Local 4027	*	June 14, 2013
	*	
	*	

REPORT AND RECOMMENDATIONS OF THE FACT-FINDER

APPEARANCES

For the City of Springdale (the Employer):

Ned Dorsey, Attorney
 Jerry Thamann, Assistant City Administrator
 Michael Hoffman, Fire Chief

For the IAFF (the Union):

John Harvey, OAPFF Vice President
 Larry French, President, IAFF Local 4027
 Steven S. Sarver, Vice President, IAFF Local 4027
 Ronald Lang, Jr., Secretary, IAFF Local 4027

PRELIMINARY COMMENTS

The bargaining unit consists of employees in twenty-four (24) approved positions within the Springdale Fire Department including (4) Firefighter/Emergency Medical Technicians, (13) Firefighter/Paramedics, and (3) Firefighter/Paramedic Captains.

The collective bargaining agreement expired on December 31, 2012. The parties began negotiations on November 20, 2012 and met seven times, reaching tentative agreements on several issues. Four issues remained at impasse.

This Fact-finder was appointed by SERB on February 7, 2013. A hearing was conducted on April 25, 2013. Mediation was conducted, but no settlement was achieved. Four issues remained at impasse and were submitted for Fact-finding: Wages; Hours of Work; Health Insurance; and Vacation. Both parties submitted pre-hearing statements, attended the hearing, and elaborated upon their respective positions.

In rendering the recommendations in this Fact-finding Report, the Fact-finder has given full consideration to all testimony and exhibits presented by the parties. In compliance with Ohio Revised Code, Section 4117.14 (G) (7) and Ohio Administrative Code Rule 4117-9-05 (J), the Fact-Finder considered the following criteria in making the findings and recommendations contained in this Report:

1. Past collectively bargained agreements, if any, between the parties;
2. Comparison of 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;
3. The interest and welfare of the public, and 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;
4. The lawful authority of the public employer;
5. Any stipulations of the parties; and
6. Such other factors, not confined to those listed above, which are normally or traditionally taken into consideration in the determination of issues submitted to mutually agreed-upon dispute settlement procedures in the public service or in private employment.

All references by the Fact-finder in this report to the Employer's proposal and the Union's proposal are references to their respective final proposals as presented to the Fact-finder at the hearing conducted on April 25, 2013.

ISSUES AND RECOMMENDATIONS

Issue: Wages

Positions of the Parties

The Employer proposed a 2% wage increase retroactive to the first pay of 2013, and 1% wage increase for each of 2014 and 2015. The City also proposed that if its unrepresented employees receive an increase of greater than 1% in either 2014 or 2015, the fire fighters would get the same increase.

The Union proposed a four percent (4%) hourly wage increase for the 2013 calendar year, a four and a half percent (4.5%) hourly wage increase for the 2014 calendar year and a five percent (5%) hourly wage increase for calendar year 2015.

Discussion

The City of Springdale has experienced revenue declines over the last several years due to the general economic decline and the elimination of some revenue streams, most notably the local government fund and estate tax. That being said, the City was still able to increase its Ending Fund Balance by over \$1.1 million from 2010 to 2012. The City achieved this in part by not filling 23 open city positions. In addition, capital expenses were deferred.

The City's 2013 budget, however, includes paying for some of those deferred expenses and increasing the City's total employment, and is projected to reduce that Ending Fund Balance. Despite that, the City has already granted wage increases to non-bargaining unit employees and the FOP bargaining unit employees of 2% for 2013. There is clearly compelling argument that this bargaining unit should be treated accordingly in 2013.

In addition, the City is proposing modifications to health care that would help the City control expenditures in 2014 and 2015. These modifications are discussed later in this Report, and reflected in the Fact-finder's Recommendations for that issue. As such, modest wage increases for 2013, 2014 and 2015 are reasonable, with "me too" clauses in the last two years to ensure that this bargaining unit is treated fairly with respect to the City's other bargaining unit employees and the non-represented employees should they receive wage increases in those years greater than the amount that is currently reasonable to include in this contract.

Findings and Recommendation

In light of the Recommendations found elsewhere in this Report, the Fact-finder is persuaded that the following across-the-board wage increases are reasonable and fair: a 2% wage increase retroactive to the first pay of 2013, a 2% wage increase effective the first pay cycle in January 2014, and a 2% wage increase effective the first pay cycle in January 2015. In addition, should any of the City's unrepresented employees receive an increase of greater than 2% in either 2014 or 2015, this bargaining unit's members shall receive that same increase.

Therefore the Fact-finder recommends that Sections 11.1, 11.2, and 11.3 of Article 11 be amended to read:

11.1 Retroactive to the first pay cycle for 2013, an increase of 2% on the base straight time rates shall be in effect for all bargaining unit personnel.

11.2 Effective the first pay cycle for 2014, an increase of 2% on the base straight time rates shall be in effect for all bargaining unit personnel. Should any of the City's unrepresented employees receive an increase of greater than 2% in 2014 this bargaining unit's members shall receive that same wage increase.

11.3 Effective the first pay cycle for 2015, an increase of 2% on the base straight time rates shall be in effect for all bargaining unit personnel. Should any of the City's unrepresented employees receive an increase of greater than 2% in 2015 this bargaining unit's members shall receive that same increase.

Further, the Fact-finder recommends that the table contained in Section 11.4 of Article 11 be amended to reflect the wage increases provided for in Sections 11.1, 11.2 and 11.3.

Issue: Hours of Work

Positions of the Parties

The Union proposed to reduce the work-week by two (2) hours in 2013, two (2) hours in 2014, and one (1) hour in 2015. These hour reductions would ultimately bring the average work-week down to forty-eight (48) hours with a “Kelly day” scheduled to occur every seventh (7th) tour.

The Employer proposed the retention of current contract language.

Discussion

As noted above, the City has been proactive in successfully addressing budgetary shortfalls over the last several years. While the overall budget picture for the life of this agreement is far from bleak, it is not robust. The Union’s proposal would result in either significant additional costs to the City to maintain the current level of fire and emergency services, or it would require reducing the current service level. Neither of those scenarios is fair and reasonable to the Employer, and more importantly it would be unfair to the taxpayers.

Findings and Recommendation

The Fact-finder finds no compelling reason to alter the hours of work at this time.

Therefore the Fact-finder recommends that the current contract language be retained.

Issue: Health Insurance

Positions of the Parties

The Employer proposed that the current language be changed to provide that the bargaining unit members would receive the same benefits from the health insurance plan made available to

all other non-union employees at the same rates, co- pays, premiums, deductibles, and obligations as other City employees, and provide that such health insurance plan may change from time-to-time during the term of this agreement.

The Union proposed the retention of current contract language

Discussion

The Employer's desire to have a single health insurance plan for all of its employees is understandable and reasonable. The undeniable trend in health care, for both private and public sector employees, is for greater employee cost-shares for premiums, including a fair share of the risk when premiums rise. This bargaining unit should justifiably be treated the same as all City employees, and the recommendation below provides for that. With the absorption of a greater cost shifts to the employees, and the possibility that new, as yet unknown, federal regulations could impact coverage, it is fair to provide the employees at least some certainty that substantially similar coverage will be provided to them for the life of this agreement. The recommendation below provides for that.

Findings and Recommendation

The Fact-finder finds that economics and administrative reasonableness dictate amending the provisions of Section 36 to provide that the City has the ability to provide a single health insurance plan for all of its employees, and it is proper to shift some of the economic uncertainty to the members of this bargaining unit.

Therefore, the Fact-finder recommends the replacement of the current Section 36.1 with the following:

36.1 Bargaining unit members shall receive the same benefits from the health insurance plan made available to all other non-union employees at the same rates, co- pays, premiums, deductibles, and obligations as other City employees. It is understood that such health insurance plan may change from time-to-time during the term of this agreement. However, the benefits provided under the under the Employee Group Health Plan shall remain substantially the same during this Agreement.

Effective at the execution of this agreement, employees shall contribute 10% of the monthly premium through a payroll deduction for the remainder of 2013.

If non-union employees pay less than 10% of the premium, the bargaining members shall pay the lesser amount.

In 2014 the employees shall continue to contribute 10% of the monthly premium through a payroll deduction. If non-union employees pay less than 10% of the premium, the bargaining members shall pay the lesser amount.

In 2015 the employees shall contribute 12% of the monthly premium through a payroll deduction. If non-union employees pay less than 12% of the premium, the bargaining members shall pay the lesser amount.

The City shall at all applicable times comply with the provisions of the Affordable Care Act and relevant regulations promulgated there under with respect to health insurance provided under this agreement. In the event the Affordable Care Act is repealed or substantially amended, either party to this agreement may require collective bargaining to negotiate with regard to the impact of such repeal or amendment on the City's health insurance plan.

If the City chooses a Health Insurance plan with a deductible of \$2000 single / \$4000 employee/spouse, employee/child or family the City will pay toward the deductible into the HSA/HRA account \$1000 single and \$2000 employee/spouse, employee/child, family. If the City offers any other Insurance plans to its employees and the employee elects said plan, the maximum amount the City will pay toward the deductible is 50% of the deductible not to exceed \$1000 single / \$2000 employee/spouse, employee/child, family.

Issue: Article 12 – Vacation

Positions of the Parties

The Employer proposed the retention of current contract language as to vacations.

The Union proposed the addition of a vacation step according to its discussions and an agreement in principle reached earlier in negotiations and that was subsequently rescinded by the Employer.

Discussion

The City's current and short-term future economic outlook is simply not strong enough to recommend additional paid time off for the members of this bargaining unit at this time. The current vacation schedule, on top of the regular schedule worked by the bargaining unit members, provides for sufficient leave time over the life of this agreement.

Findings and Recommendation

The Fact-finder finds no compelling reason to amend the current contract provisions at this time.

Therefore the Fact-finder recommends the retention of current contract language.

Additional recommendations of the Fact-finder

The parties reached tentative agreements on five issues (education reimbursement, holidays, bereavement, uniform allowance, and duration) during their negotiations prior to the Hearing.

The Fact-finder has reviewed all the tentative agreements reached by the parties during their negotiations, and finds them reasonable and fair to both of the parties and to the public.

Therefore, the Fact-finder recommends all tentative agreements reached by the parties during their negotiations, including those reached during mediation.

The above represents all of the Findings and Recommendations made by the undersigned Fact-finder in this matter.



Martin R. Fitts
Fact-finder
June 14, 2013

Certificate of Service

I hereby certify that an exact copy of this Fact-finding Report was transmitted this day by email to: Jon Harvey (jharvey3@woh.rr.com) and Lenny French (French61@hotmail.com) representing IAFF Local 20; Ned Dorsey (esd@woodlamping.com) and Jerry Thamann (jthamann@springdale.org) representing the City of Springdale; and Mary Laurent at the State Employment Relations Board (Mary.Laurent@serb.state.oh.us).

A handwritten signature in black ink, appearing to read "Martin R. Fitts". The signature is written in a cursive, flowing style.

Martin R. Fitts
Fact-finder
June 14, 2013