

**STATE OF OHIO
STATE EMPLOYMENT RELATIONS BOARD**

July 28, 2014

In the Matter of:

PAINT CREEK JOINT EMS/FIRE DISTRICT

and

**PAINT CREEK PROFESSIONAL FIREFIGHTERS AND
IAFF, LOCAL 4811**

SERB CASE NO. 2014-MED-03-0419

Hearing June 30, 2014

APPEARANCES

For the Employer

**Brian D. Butcher, Labor Consultant
Clemans•Nelson, & Associates Inc.
James J.D. Caprio, Labor Consultant
Clemans•Nelson, & Associates Inc.
William Redenbaugh, Board Member
Bradley B. George, Chief**

For the Union

**Jon D. Harvey, VP 4th Dist.
William Strain, President
Jonathan Strain, Treasurer**

Richard J. Colvin
Fact-Finder

INTRODUCTION

A. The State Employment Relations Board appointed the Fact-Finder on May 29, 2014 pursuant to Ohio Revised Code Section 4117.14(C) (3).

The Hearing in this matter was convened on June 30, 2014 at 10:00 a.m. in the Village of Greenfield, Ohio, in the Counties of Highland, Fayette and Ross.

The Employer is a joint fire district organized under 505.371 of the Ohio Revised Code in 2009. The purpose of a joint fire district is to pool resources and create economics of scale.

The District is comprised of the Village of Greenfield, Madison Township, Paint (Highland) Township, Liberty Township, New Market Township Washington Township, Jackson Township, Buckskin Township and Paint Township (Ross). The District also contracts with the City of Hillsboro to provide services. Funding of the District is limited to the one-time payments supplied by the participating jurisdictions as well as a 5.5. mill property levy passed in 2009 (after rollbacks it is down to 5.2 mills). Most of the money received from one-time payments is set aside for capital improvements and also as a “rainy day” fund. The District is currently building a new fire station, which costs approximately \$500,000 and will deplete its carry-over.

The parties met and negotiated the successor Agreement (the first Agreement was negotiated for the years 2011-2014) at four different bargaining sessions reaching tentative agreement (or an understanding) on all issues except for wages, the only open item at this fact-finding.

Prior to initiating Hearing procedures, the parties jointly requested that the Fact-Finder mediate the issue of wages. The Fact-Finder recognizes the role of mediation and its relationship to the process of fact-finding.¹

The Fact-Finder met with the parties separately and was presented with a proposal on the issue of wages by the Union to the Employer. There was then one counter-proposal by the Employer and, upon review of both proposals it was the determination of the parties and of the Fact-Finder that the Hearing should be convened to resolve the issue at impasse Article 29/New appendix C - Wages.

Tentative Proposal and Counterproposal made during the Mediation process:

Union:

Wages: Article 29/Appendix C

- 6% Increase effective June 30, 2014
- 5.5% Increase effective June 30, 2015
- 5% Increase effective June 30, 2016

- 4% Paramedic incentive paid per Appendix C.
- 5% Difference between Lieutenant and Captain
- 5% Difference between F.F. and Lieutenant

Employer:

Wages:

- 3% Increase effective January 1, 2015
- 3% Increase effective January 1, 2016
- 3% Increase effective January 1, 2017

- 4% Rank Difference Lieutenant
- 4% Rank Difference Captain

B. Description of the Bargaining Unit and the number of employees:

¹ See O.R.C. Section 4117.14(C)(3)(f)

<u>Rank</u>	<u>Number of Employees</u>
Captain	3
Lieutenant	(joint petition to be filed)
Firefighter/Paramedic	5
Firefighter EMT	3

C. The current bargaining Agreement is effective through June 30, 2014.

Combined, the parties brought twenty-four (24) Articles to be negotiated. The parties have reached tentative agreement on ten (10) Articles through negotiations. Five (5) Articles have been withdrawn; eight (8) have minor modifications and the one (1) issue moved to fact-Finding. Of the issues the parties have reached tentative agreement on, all have little to no economic impact. The same is true of the eight (8) items yet to be tentatively agreed upon.

The SERB appointed Mediator did not facilitate mediation. The lead negotiators from both sides agreed the Mediator would not resolve the wage issue.

All agreements will have an effective date of June 30, 2014.

D. The Position of the Employer:

The Employer has proposed the following increases:

First Year	2%	Effective January 1, 2015
Second Year	1.5%	Effective January 1, 2016
Third year	1%	Effective January 1, 2017

Rationale:

1. The District desires to be fiscally prudent.

The Employer recognizes it is not proposing astronomical wage increases. This is intentional, and the result of a long-term strategic plans. The District is still new and evolving. In fact, five participants have joined over the last two years. The last thing that any of the Board members want [is] to be responsible for the contract to get “too expensive”. The Board members do not want to become yet another Fire Department casualty, (i.e. City of Hillsboro) resulting from bargaining uncontrollable costs.

2. Bargaining Unit members have received wage increases well above the State average.

Bargaining Unit employees received 3% wage increases in January of 2012, 2013 and 2014. As a part of its final package proposal, the Employer offered 3% over the life of the new contract as well as a \$250 signing bonus that the Union rejected. The Employer's current proposal also increases bargaining unit raw wages 9% for the 3 years. This is a result of eliminating steps and is consistent with the Union's proposal.

3. Taxpayer and resident comparability

Fire Department wages are still well in excess of those living in the areas serviced by the District.

4. A new building in the works.

The District is finishing a new station, which, after all is said and done, will cost approximately \$500,000.

5. Creation of additional BU positions.

The Employer is adding 3 new bargaining unit positions by creating the rank of Lieutenant. This increases personnel costs.

E. The Position of the Union:

The Union's position is that the bargaining unit employees are underpaid. The Union feels the proposed wage increase should put the bargaining unit employees more in line with the internal and the external comparables. As for the District's ability to pay, since the inception of the Fire District in 2010, the District revenue has grown significantly. The District has set in place an aggressive plan that has dramatically increased the coverage area, responsibilities of the bargaining unit employees and the overall revenue and financial outlook of the District.

The Union is asking for an 8% increase in year one (1), a 6% increase in year two (2) and a 6% increase in year (3) of the Contract for a total of 20% increase over the life of the Contract. By any standards, that is a big increase. Add to that the Union is asking for an additional 4% each year for maintaining their paramedic certification and a 5% difference between Lieutenant and Captain and between a F.F and Lieutenant.

What makes this even more interesting, according to the Union, is that the bargaining unit employees will still be the lowest paid firefighters employed by a Fire District in Central and Southwest Ohio. Because of the uncommon makeup of the Paint Creek Joint EMS and Fire District (PCJEFD), selecting comparable Departments was difficult. Because of its size, location and structure it did not fit in any one category well. The Union chose the closest “Fire Districts” for comparables. Since the only issue is wages, it made sense to choose a funding mechanism as the key-determining factor. The Local selected the following Districts:

<u>District</u>	<u>County</u>	<u>Current Compensation²</u>
<u>Firefighter/Paramedic</u>		
Little Miami Joint Fire & Rescue District	Hamilton County	\$60,000.00
Madeira/Indian Hill Fire District	Hamilton County	\$71,680.00
Miami Valley Fire District	Montgomery County	\$67,849.60
Pleasant Valley Fire District	Madison County	\$53,839.00
Clearcreek Fire District	Warren County	\$63,319.13
West Licking Fire District	Licking County	\$69,540.22
Basil Joint Fire District	Fairmont County	\$55,174.00
Average		\$63,057.42
Paint Creek Joint EMS and Fire District Highland		\$37,856.00
<u>Lieutenant</u>		
Little Miami Joint Fire & Rescue District	Hamilton County	\$67,500.00
Madeira/Indian Hill Fire District	Hamilton County	\$80,196.00
Miami Valley Fire District	Montgomery County	\$76,672.96
Pleasant Valley Fire District	Madison County	\$60,998.73
Clearcreek Fire District	Warren County	\$65,861.55
West Licking Fire District	Licking County	\$79,974.62
Basil Joint Fire District	Fairmont County	\$60,691.00
Average		\$70,270.69
Paint Creek Joint EMS and Fire District Highland		\$40,505.92

² Fact-Finders Notation: These are top-level rates. SERB Benchmark Report 7/18/14

Captain

Little Miami Joint Fire & Rescue District	Hamilton County	\$75,000.00
Madeira/Indian Hill Fire District	Hamilton County	\$80,196.00
Miami Valley Fire District	Montgomery County	\$76,672.96
Pleasant Valley Fire District	Madison County	\$60,998.73
Clearcreek Fire District	Warren County	\$69,169.40
West Licking Fire District	Licking County	\$79,974.62
Basil Joint Fire District	Fairmont County	N.A.
Average		\$73,668.62

Paint Creek Joint EMS and Fire District Highland \$43,746.39

Under Tab 3., the Union contended in that over the past four years, 2010 through 2014, the District has a strong revenue base. Total Receipts and Balance have grown from \$1,279,556.11 in 2010 to an estimated \$3,727,024.83 for 2015.

Paint Creek Joint EMS/Fire District has received from 2010 through 2014 in commencement fees and contract fees of \$1,344,152.31. It is noted, however, that those sources of revenue have ended and all funds hereafter will be raised through levies.

CRITERIA

When making his Report and Recommendations upon the unresolved issue(s) the Fact-Finder has been mindful of and has been guided by the criteria set forth in Ohio Revised Code §4117.14(C)(4)(e) identifying relevant factors as follows:

- (1) Past collectively bargained agreements, if any, between the parties;
- (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;
- (3) The interest 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;
- (4) The lawful authority of the public employer;
- (5) Any stipulation of the parties;
- (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 final dispute settlement procedures in the public service or in private employment.

Fact-Finders Recommendations and Rationale

F. Recommendations:

The Fact-Finder, having reviewed the Criteria set forth above giving special emphasis to factors set forth in (1) (2) and (3) and having reviewed and analyzed the testimony and the evidence and the written and oral arguments of the parties to this Hearing makes the following Recommendations:

WAGES: Effective June 30, 2014 an increase in wages of **\$4.0%**
 Effective June 30, 2015 an increase in wages of **\$4.0%**
 Effective June 30, 2016 an increase in wages of **\$4.0%**

Rationale:

The District defining its wage proposals uses the terminology “nothing astronomical”. The Union uses the terminology “a big increase”. Both reflect the party’s positions quite accurately. There is no doubt that the present Agreement between Paint Creek Joint EMS/Fire District and IAFF Local 4811 exemplifies a well thought out and carefully administered Agreement. There will be a projected 14 employees in the bargaining unit.

In the Fact-Finder’s opinion, external comparisons favor the Union’s position. The Fact-Finder has considered the economic position of the Employer and finds no present inability to pay, and that position has been argued. The Employer is in a position to finance and administer the wages proposed. The Employer, however, is no position to overcome the difference between its wages and those of other comparable Districts during the term of this Agreement.

1. The average compensation for a **Firefighter/Paramedic** in the seven (7) Districts above is \$63, 000.00 while a Paint Creek District Fire Fighter/Paramedic averages now \$40, 884.48.
2. The average compensation for a **Lieutenant** in the seven (7) Districts above is \$70, 270.69 while a Paint Creek District Lieutenant \$40, 505.92.
3. The average compensation for a **Captain** in the seven (7) Districts above is \$73, 668.62 while a Paint Creek District Captain averages \$ 43, 746.39.

The Employer throughout this Hearing has recognized the above average training and dedication of its firefighters. The Fact-Finder is equally impressed with the Board's determination to be forward-looking and cautious in projecting future income sources. The example of Hillsboro, the last member to be serviced by this District, is a present reminder that the parties not take for granted the future financial well being of the District. Hillsboro's decision to be serviced by this District, it should be recalled, was not without some serious contention. If the parties to this Agreement continue to demonstrate their present high level of skill and continue to work together there should be no difficulty in gaining support for future levies.

CERTIFICATION PAY: The Union has proposed that all employees who are certified as an EMT – Paramedic (EMT-P) be compensated at four (4)% of their annual salary, each year of the Agreement. Such payments to be made to the employee in two equal amounts, the first to be paid the first pay in June and the second to be paid the first pay in December.

Rationale:

The Fact-Finder does not recommend adoption of this proposal because:

1. The present Agreement provides at Article 31 TRAINING in Section 31.1. that: "The District shall compensate employees for training in accordance with the Fair Labor standards Act."
2. Section 31.2. provides that: "It is the goal of the District to have each bargaining unit member certified as a medic. All bargaining unit members of the District shall, within three (3) years of their hire date begin class to be certified as an EMT-Paramedic. The District shall cover the cost of the individuals training subject to the remainder of this Article."
3. Section 31.3. "The District will only cover the cost of the bargaining unit member's first attempt at paramedic training."
4. Section 31.4. "Those employees that were hired when the District was formed shall be held to the same certification standards required by this Article. The District shall designate these employees to begin paramedic training within three (3) years of the next available class upon ratification of this contract."

5. Section 31.5. "Any bargaining unit member who voluntarily leaves the District during paramedic training shall repay the District for the cost of the training."
6. Section 31.6. "The District may pay for other training as it deems necessary."
7. Section 31.7. "Bargaining unit members shall attend five (5) in-house training sessions while off duty each calendar year as scheduled by the District. Bargaining unit members who are not on duty shall receive call-in pay as described in this Agreement."

No persuasive argument has been made by the Union that this existing provision for compensation is unfair, not being applied or in any other manner in need of being "supplemented" by this new proposal.

RANK DIFFERENCES

The Fact-Finder will accept the Employer's position of a 4% difference for Lieutenant and Captain.

Rationale:

No convincing arguments or facts have been presented to the Fact-Finder to justify a 5% difference.

/s/ Richard J. Colvin

Fact-Finder

Signed this 25th day of July 2014 in the City of Mason, County of Warren and State of Ohio

CERTIFICATION OF SERVICE

This is to certify that a true and accurate copy of this Fact-Finding Report was forwarded to the parties listed below by Electronic Mail this 28th day of July 2014:

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