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IN THE MATTER OF FACT FINDING

BETWEEN

AFSCME OHIO COUNCIL 8, AFL-CIO, LOCAL 3924

AND

CITY OF PARMA, OHIO

SERB CASE # 14-MED-06-0874 & 0875

(City Hall Employees Unit & Police Records Unit)

Robert G. Stein, Fact-finder

LEAD ADVOCATE FOR THE UNION:

William S. Nowel, Staff Representative
AFSCME OHIO COUNCIL 8, AFL-CIO
1603 E. 27TH Street
Cleveland, OH 44114-4217
[**wnowel@afscme8.org**](mailto:wnowel@afscme8.org)

LEAD ADVOCATE FOR THE EMPLOYER:

Patrick J. Hoban, Esq.
ZASHIN & RICH CO., L.P.A.
950 Main Avenue, 4th Floor
Cleveland, OH 44113
[**pjh@zrlaw.com**](mailto:pjh@zrlaw.com)

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CRITERIA

In the finding of fact, the Ohio Revised Code, Section 4117.14(C) (4)(E) establishes the criteria to be considered for fact-finders. For the purposes of review, the criteria are as follows:

1. Past collective bargaining agreements
2. Comparisons
3. The interest and welfare of the public and the ability of the employer to finance the settlement
4. The lawful authority of the employer
5. Any stipulations of the parties
6. Any other factors not itemized above, which are normally or traditionally used in disputes of this nature.

The recommendations contained in this report are guided by the above statutory criteria and are intended to be in accordance with them.

INTRODUCTION

The parties to this matter are AFSCME OHIO COUNCIL 8, AFL-CIO, AND ITS LOCAL 3924 (hereinafter "Union") and the City of Parma, Ohio (hereinafter "Employer," "City" or "Department."). The Employer is located in northern Ohio. The City is a large suburb located south of the City of Cleveland. The bargaining units are comprised of approximately one-hundred (100) employees in the City Hall Unit and eight (8) employees in the Police Records Unit. This report addresses the issues in both bargaining units. The effective dates of the current Agreement are November 1, 2011 through October 31, 2014.

General/State/Local Economic Overview: The economy has been improving on the national, state, and local levels for several years now, but if you use the Stock Market as an indicator, as well as debt in Greece, widespread instability turmoil in the Middle East, the Syrian refuge crisis in Europe, and, then factor in a slowing China economy, one can only conclude that it is folly to predict future economic prosperity. And, if the political climate at the moment is any indicator, unrest persists among the majority of the electorate regarding their own economic welfare and the fact that wages for many people have been relatively stagnate for years. The majority of Americans acknowledge signs of sustained economic improvement as evidenced by more help wanted signs appearing in front of businesses. But in larger part newly created employment opportunities, while growing steadily, now come with lower wages, less benefits and less job security. The sobering reality is that conditions post 2008 will never be the same as they were prior to the "Great Recession" and its aftermath. And, that reality has caused a sea change in the manner local governments operate and finance the services they provide to the public. In Ohio, one difference is one of structural unemployment and the substantial loss of the manufacturing base along with jobs that pay a true middle class living wage. Another is the economics of revenue distribution to local government that was changed dramatically by the Ohio state legislature requiring local governments to seriously examine the cost of their operations. The City of Parma, with which this fact-finder has been familiar with for decades, is one of those

municipalities that is still experiencing the monumental cuts in state funding and loss of local revenue since 2008, and is still finding its way back to more stable economic footing. Many of its residents are comprised of the working middle class and have been materially affected by the ravages of the Great Recession. Along with the City are the employees of the bargaining units who also suffered from the effects of recession and revenue changes. They and their families have also experienced firsthand the challenge of maintaining their own economic household budgets during these lean years.

ISSUES

The Parties brought eight (8) Open Issues Brought to Fact-finding. The Unions’ and the Employer’s detailed positions and rationale on the unresolved issues can be found in their respective Pre-hearing Statements and in the evidence in the record. However, in summary the position of each party on the issues is as follows:

ISSUE 1 WAGES

CITY’S POSITION: The **City** is proposing the following:

City Hall Unit

ARTICLE 35 – WAGES

First Year	0%
Second Year	0%
Third Year	0%

Police Records Unit

APPENDIX A – WAGE SCHEDULES

First Year	0%
Second Year	0%
Third Year	0%

The City argues that its finances have not fully recovered from the Great Recession, related decreases in property taxes and the following years of massive cuts in funding from the State of Ohio. The City further asserts that its expenses, particularly health care costs and recycling costs have relentlessly increased. Health care costs were \$750,000 over budget in 2014 and are projected to be approximately \$400,000 over budget in 2015 despite the City’s significantly increasing the health care claims budget for 2015.

As a result, the City has experienced a steady decline in its General Fund Carryover since 2011 to levels well below its historical level as a percentage of General Fund Expenditures. This has severely limited the City's ability to rely on the General Fund Carryover to cover unexpected expenditure increases, increases which, in the case of health care costs, have become routine. The City stressed that the General Fund Carryover is a necessary part of its budgeted resource every year. This trend was accelerated by wages increases totaling 5% that were granted to all City employees from 2012 to 2014.

The City further points to the extreme measures required to achieve a balanced 2015 budget. In addition to reducing City-wide staffing by 5.8% since 2011, those measures included the planned sale of various items of City property to generate \$2 million and the transfer of \$775,000 from a fund dedicated to covering the expenses of a 27th pay period every 11 years. Without these "one-time" revenues, the City notes, it would not have survived 2015 without falling into fiscal emergency. Furthermore, to get through 2016, the City enacted a new "Trash Fee" on City householders that is projected to generate \$4.3 million annually starting in January 2016. The Trash Fee was necessary to generate revenues to partially replace those lost over the years and the "one-time" revenues used to balance the 2015 budget.

The Union's proposed 1.75% wage increase would cost the City approximately \$700,000 if extended to all City employees. Based on the above facts presented during the hearing, the City argues that its tenuous financial condition cannot withstand any increases in employee compensation. Indeed, the City contends that it must have concessions to further buttress its General Fund Carryover.

UNION POSITION: The **Union** is proposing the following:

City Hall Unit

ARTICLE 35 - WAGES

First Year	0%
Second Year	1.75%
Third Year	Wage Reopener (including equity increases)

Equity increases for the "Clerk-Typist," "Secretary," and "Property Maintenance" classifications.

Police Records Unit

APPENDIX A - WAGE SCHEDULES

First Year	0%
Second Year	1.75%
Third Year	Wage Reopener (including equity increases)

Equity increases for the "Uniform Patrol Secretary" and "Payroll Data Clerk" classifications.

The Union contends that, while the Employer has experienced a significant reduction in revenues and noteworthy increases in expenditures in recent years, its finances have stabilized. The Union points to an increase in the projected income tax revenues for 2015 over the original projected decrease, a projected increase in income tax revenue for 2016, and increased revenue from the recently enacted Trash Fee. The Union contends that Pitt-Ohio's location of business operations in the City will result in additional income tax revenues in 2016 and following years and that the City's income tax has regularly increased over time.

The Union also notes that the Employer may realize additional decreases in health care costs in 2016 if the health care committee agrees to increase employee premium payments and/or change the health care plan design. The Union further noted the significant furloughs both AFSCME units experienced between 2009 and 2012 and a decrease in overall unit staffing over the past few years. Additionally, the Union points to the City's data projecting that it will have a positive General Fund balance in 2015 and in 2016. Based on these, the Union contends that the Employer does not need concessions and has the ability to pay for the Union's proposed 1.75% wage increase.

DISCUSSION: The facts presented at hearing make it clear that the City's financial picture is currently tenuous, with hopes that stability will come in the future. However, at present, reality requires patience by all parties. The national economic upheaval of 2008-2010 combined with the drastic cuts to State funding combined to significantly undercut the City's fiscal stability. The City survived the Great Recession only by taking extraordinary measures that included securing significant concessions from its employees, reducing other expenditures and identifying one-time revenue sources. Although these concessions affected all employees, the brunt of them were borne by non-safety forces including, but not limited to, AFSCME members. The facts indicate that the concessions, and wage freezes, beginning in 2009 and continuing into 2012 did not include the City's Police and Fire Department bargaining units which received wage increases in 2011.

These measures restored stability to the City's finances for a time, but the "ripple effect" of the erosion of what was historically stable revenue sources for decades requires a considerable reworking of how to now fund the important work of the City and its employees. The continuation of cuts in State funding through 2015, including the phase out of the Estate Tax, and expenditure increases (including \$2 million in employee wage increases from 2012 through 2014 and significant increases over budgeted health care claims costs in 2014 and 2015) eroded the General Fund Carryover generated by concessions.

The City projects a \$2 million General Fund Carryover at the end of 2015 which is 4.3% of its projected 2015 General Fund Expenditures. If realized, the 2015 General Fund Carryover will be .2% below the 2014 carryover, 2.3% below the 2013 carryover, 4%

below the 2012 carryover and 6.7% below the 2011 carryover. The Union is correct that the City has projected positive General Fund balance for 2015 and 2016. However, the facts demonstrate that those projected balances are the result of extraordinary City efforts as well as the previous and continued sacrifices made by employees. First, the City identified over \$2.7 million dollars in "one-time" revenue from the sale of cellular phone tower leases, sale of other property and the appropriation of funds reserved for the next 27th pay year. Without the sale of City assets and appropriation of funds reserved for another purpose, the City would not have balanced its 2015 budget, let alone ended with a positive carryover. Next, facing further increases in health care claim costs and an increase in recycling costs, the City implemented the Trash Fee on October 1, 2015. The Trash Fee is projected to generate \$4.3 million annually but the City will not receive that revenue until 2016.

Another significant source of City expenditures is in health care. The facts also demonstrate that, as a self-insured employer, the City has experienced substantial health care claims costs in excess of its budget in 2014 and projects expenditures in excess of its 2015 budget as well. Although the City has maintained a reserve to cover such overages in the past, those reserves have been exhausted and the City has not been able to rebuild them. As a result, the overages in 2014 and projected overages in 2015 must come from the potential General Fund carryover. The City's health care committee process may deliver cost savings or increased employee payments that somewhat relieve the pressure on the General Fund. However that process is ongoing and its results are uncertain.

In summary, the City has projected a hopeful yet unpredictable General Fund Carryover from 2014 to 2016. The carryovers that were achieved when measured by commonly accepted accounting standards, were substandard and were achieved largely through the use of one-time money in 2015 and the resources generated by the trash fee. The facts demonstrate that the City's General Fund Carryover has steadily declined for several years as a percentage of General Fund Expenditures and is projected to be well below a level commonly accepted by rating services to be fiscally prudent in 2015 and 2016.

It is clear that over the difficult years since 2008 the AFSCME bargaining units have "stepped up" and have made sacrifices, and under normal circumstances, the Union's current wage proposal would be modest. However, the facts demonstrate that City has not returned to normal and is still seeking to secure long-term financial stability. It is more likely than not that increasing employee wages in 2016 will drive the City back into crisis requiring more concessions and resulting in disruption of labor management relations. The City's 2016 expenditure estimates assume that it will spend no more than it spent in 2015 which is far from certain at this time. Although the Union represents roughly 108 of the City's 500 total full-time employees, it is likely that other bargaining units will rely upon any wage increase granted to the Union to advocate for similar or greater increases for their members. Yet, the facts indicate that even a modest wage of a 1.75% for all City employees would significantly hinder the City's efforts to stabilize its finances and may result in the future need for concessions, furloughs or layoffs. Based upon the experience of this fact-finder, that is a scenario that certainly should be avoided. At this time the Union's proposed equity increases are also beyond the City's current ability to pay. Moreover, in an

atmosphere of necessary and sustained austerity “equity of sacrifice” is an important principle to maintain in order to have labor peace.

The facts strongly support the need for the City to get its financial house in order. And, the employees of the bargaining unit need to a financially stable place to work. Based on the facts presented, wage freezes for the first and second years of the successor contract are necessary and appropriate. However, since it is hoped that wage freezes in 2015 and 2016 combined with the other temporary concessions recommended herein will improve the City’s finances, a reopener on wages and equity increases is appropriate for the third year of the contract. By these recommendations the City may be able to stabilize its finances and be in a position to offer wage increases without the risk of plunging back into crisis mode. At the very least, the parties will have the benefit of an additional year of financial data to guide their wage negotiations for 2017.

RECOMMENDATIONS (including any prior TAs):

City Hall Unit

ARTICLE 35 - WAGES

First Year	0%
Second Year	0%
Third Year	Wage Reopener (including equities)

Police Records Unit

APPENDIX A - WAGE SCHEDULES

First Year	0%
Second Year	0%
Third Year	Wage Reopener (including equities)

ISSUE 2 SICK LEAVE

CITY’S POSITION: The City is proposing the following:

City Hall Unit

ARTICLE 17 - SICK LEAVE

- a. Section 2 – Amend Section 2 to read as follows:

All employees shall earn sick leave at the rate of ~~.0575~~ **.0384** hours for each hour of service and may accumulate such leave without limit.

- b. Section 10 – Delete Section 10 in its entirety (annual buy out of unused sick leave).

Police Records Unit

ARTICLE 19 – SICK LEAVE

- a. Section 19.02 – Amend Section 19.02 to read as follows:

All employees shall earn sick leave at the rate of ~~.0575~~ **.0384** hours for each hour of service and may accumulate such leave without limit.

- b. Section 19.10 – Delete Section 19.10 in its entirety (annual buy out of unused sick leave).

The City basis for the proposals is to implement long-term cost reduction mechanisms without significantly undermining employee benefits. The City argues that reducing sick leave accrual will ultimately reduce total accrued sick leave and sick leave payouts on retirement. Elimination of the ability of employees to “buy out” unused sick leave annually will also reduce City expenditures.

UNION’S POSITION: The **Union** is proposing the following: Current Contract language.

The Union argues that the sick leave accrual rate is longstanding and results in its members receiving the same annual sick leave benefit as all other City employees. The Union further argues that allowing employees to “buy out” a limited amount of sick leave annually is actually beneficial to the City’s finances in the long term as employees must reduce their accrued sick leave bank by 80 hours to receive 40 hours of pay. This, the Union notes, reduces available sick leave and employee retirement sick leave payouts.

DISCUSSION:

The City is asking for a permanent reduction in the accumulation rate and the elimination of the buy-out provision of this benefit. The facts do not support the reduction or the buy-out elimination, but do support a temporary suspension of the buyout benefit. For 2016 it places a short-term restriction only on an employee’s ability to cash out unused sick leave, without requiring any further sacrifice from the employee regarding his/her rate of earning or accumulation of banked sick leave time. While it is clear this benefit has been in place several years and should remain, it is equally clear that a temporarily suspension of the payout portion of this provision and the subsequent full restoration of said pay-out rights in the following year is a sacrifice that would save the City some expenditure of funds, without significantly impacting an employees’ sick leave benefit.

RECOMMENDATIONS (including any prior TAs):

The following language will be added to Article 17, Section 10 of the City Hall Unit contract and Article 19, Section 19.10 of the Police Records contract:

With the exception of employees who retire in calendar year 2016, employees may convert no sick leave into cash during calendar year 2016.

ISSUE 3 SICK LEAVE BONUS

CITY' POSITION: The **City** is proposing the following:

ARTICLE 18 - SICK LEAVE BONUS

Delete Article 18 in its entirety.

ARTICLE 20 - SICK LEAVE BONUS

Delete Article 20 in its entirety.

The City's proposal is a further attempt to reduce expenditures. The City contends that the current contractual treatment of sick leave is more in the form of a retirement or compensation supplement fund than a benefit to account for illness or injury. The City further argues that the current structure of the Contract makes it clear that the average employee earns far more paid sick leave than he/she needs and the sick leave bonus is unnecessary and expensive.

UNION'S POSITION: The **Union** is proposing the following: Current Contract language.

The Union contends that the Sick Leave Bonus is valuable for both the City and its members and incentivizes reduced sick leave use. It further argues that the sick leave bonus exists in all major bargaining unit contracts and eliminating the bonus would create a parity gap.

DISCUSSION:

Similar to the rationale stated above regarding Issue 2, the fact-finder does not agree to the elimination of this benefit, but is persuaded by the facts to a temporary suspension and followed by a full restoration of said benefit. As in Issue 2, this temporary sacrifice will hopefully give the City temporarily financial relief in order to assist it the "righting" its financial "ship."

RECOMMENDATIONS (including any prior TAs): The following language will be added to Article 18 of the City Hall Unit and Article 20 of the Police Records Unit contracts:

With the exception of employees who retire in calendar year 2016, employees may not elect to receive ten and one-half (10 ½) hours of pay under subsection (b) above during calendar year 2016.

ISSUE 4 OVERTIME

CITY'S POSITION: The City is proposing the following:

City Hall Unit

ARTICLE 30 - OVERTIME

- a. Section 1 – Amend Section 1 to provide for overtime only after an employee actually works in excess of forty (40) hours in a seven-day week.
- b. Section 2 – Amend Section 2 to read as follows:

Employees who work overtime shall be compensated at a rate of one and one-half times (1 ½) their normal hourly rate of pay. ~~Employees~~ **The City** may, at the time the overtime is worked, **designate whether it will elect to** be compensated for overtime in either cash payment paid with the normal payroll or ~~receive compensatory time off. If no election is made, the overtime shall be paid with the next available payroll.~~

- ¹c. Section 3 – Amend Section 3 to read as follows:

Employees may accumulate up to two hundred forty (240) hours of compensatory time. ~~Compensatory time not used within three (3) years of accumulation shall be converted to cash and paid to the employee. At the employee's discretion, these hours may be converted to cash and paid to the employee in the next available payroll.~~ **Employees who have two hundred and forty (240) hours of compensatory time accumulated will be compensated for overtime hours worked in cash payment through the normal payroll and paid to the employee.**

ARTICLE 30 - OVERTIME

¹ The parties agreed that there was some confusion as to whether this City proposal was tentatively agreed to prior to the fact-finding hearing. As a result, it was not included in the City's original proposals for fact-finding, but, with the Union's permission, was added to resolve any dispute about its status.

a. Section 30.01 – Amend Section 30.01 to provide for overtime only after an employee actually works in excess of forty (40) hours in a seven-day week.

b. Section 30.03 – Amend Section 30.03 to read as follows:

Employees who work overtime shall be compensated at a rate of one and one-half times (1 ½) their normal hourly rate of pay. ~~Employees~~ **The City** may, at the time the overtime is worked, **designate whether it will elect to** be compensated for overtime in either cash payment paid with the normal payroll or ~~receive~~ compensatory time off. ~~If no election is made, the overtime shall be paid with the next available payroll.~~

c. Section 30.04 – Amend Section 30.04 to read as follows:

Employees may accumulate up to two hundred **and forty (240)** hours of compensatory time. ~~; effective December 1, 2007, the maximum increases to 240. Compensatory time not used within two (2) years of accumulation shall be converted to~~ **Employees who have two hundred and forty (240) hours of compensatory time accumulated will be compensated for overtime hours worked in cash payment through the normal payroll.**

The City's makes these proposals as part of its desire to control its expenditures. The first proposal is intended to bring City Hall Unit members' overtime entitlement in line with the Fair Labor Standards Act standards. Current Contract language provides overtime for any hours worked over seven (7) or eight (8) in a day (depending on the employee's normally scheduled work week). The second proposal is designed to put control of cash payment or payment by compensatory time in lieu of cash at the City's discretion and reduce cash payments as needed. The third proposal is designed to limit expenditures in the form of payments to employees who cash out compensatory time.

UNION'S POSITION: The Union is proposing the following: Current Contract language.

The Union argues that the current contract language is longstanding and in line with other City bargaining unit contract provisions.

DISCUSSION:

As with Issues 2 and 3, the facts support a short-term approach to the City's revenue shortfall for a limited period of time. The facts do not support a permanent change in this provision.

RECOMMENDATIONS (including any prior TAs): The following language will be added to Article 30, Section 3 of the City Hall Unit contract:

Employees may not convert compensatory time hours to cash from October 8, 2015 through December 31, 2016.

ISSUE 5 LONGEVITY

CITY'S POSITION: The City proposes the following:

City Hall Unit

ARTICLE 36 - LONGEVITY

Section 1 - Delete the longevity tables in Section 1 and replace with the following:

	<u>Effective 1/1/15</u>
After 5 yrs.	\$400.00 per year
After 10 yrs.	\$800.00 per year
After 15 yrs.	\$1,200.00 per year
After 20 yrs.	\$1,600.00 per year

Police Records Unit

ARTICLE 31 - LONGEVITY

Section 31.01 - Delete the longevity tables in Section 31.01 and replace with the following:

	<u>Effective 1/1/15</u>
After 5 yrs.	\$400.00 per year
After 10 yrs.	\$800.00 per year
After 15 yrs.	\$1,200.00 per year
After 20 yrs.	\$1,600.00 per year

The City's proposal is a further attempt to reduce its long-term structural costs by reducing the top-tier of longevity payments. The current Contract longevity schedule is identical to all City bargaining units and the City has made the same proposal to those other bargaining units with which it is in active negotiations.

UNION'S POSITION: The **Union** proposes the following: Current Contract language.

The Union argues that the current longevity schedule has been in place since the last year of the contract being renegotiated and that the agreement to increase longevity payments

after 25 years of service was reached without impasse. The Union contends that if the City took issue with the highest longevity rate, it should not have agreed to increase it. The Union also argues that it was the only bargaining unit to scale their longevity up by annual increments.

DISCUSSION:

The Union made a compelling case to maintain this benefit as it currently exists. The recommendations included in this report address the City's need for some temporary financial relief, but they do not support any changes temporary or permanent in this benefit.

RECOMMENDATIONS (including any prior TAs): Current contract language.

ISSUE 6 UNIFORM ALLOWANCE

CITY'S POSITION: The City proposes the following:

City Hall Unit

ARTICLE 43 - UNIFORMS, LICENSES AND MILEAGE

Section 1 - Amend Section 1 to read as follows:

~~Beginning in 2006, the~~ **The** City will provide a uniform/dress allowance of \$250 to all full-time employees and \$125 to all part-time employees by April 15th of each year. ~~The payment will be increased to \$500 to all full-time employees and \$250 to all part-time employees in 2007 at least thirty (30) calendar days prior to implementation of a revised dress code.~~ **Employees will repay 50% of all uniform/dress allowances paid in 2015 and the City will not be obligated to pay any uniform/dress allowances in 2016.**

Police Records Unit

ARTICLE 34 - SALARY SCHEDULE AND SUPPLEMENTS

Section 34.03 - Amend Section 34.03 to read as follows:

~~Beginning in 2006, the~~ **The** City will provide a uniform/dress allowance of \$250 to all full-time employees and \$125 to all part-time employees by April 15th of each year. ~~The payment will be increased to \$500 to all full-time employees and \$250 to all part-time employees in 2007 at least thirty (30) calendar days prior to implementation of a revised dress code.~~ **Employees will repay 50% of all**

uniform/dress allowances paid in 2015 and the City will not be obligated to pay any uniform/dress allowances in 2016.

The City asserts that these proposals are identical to those made to other bargaining units with which the City is in active negotiations. The proposals are designed to provide the City with immediate, quantifiable savings while still preserving a meaningful benefit for Union members.

UNION'S POSITION: The **Union** proposes the following: Current Contract language.

The Union contends that the proposed concession is unnecessary given the City's fiscal condition and argues that the similar concession the City obtained from two police unions for 2015 is different because of other benefits received by those unions. The Union further argues that it is inappropriate for its members to have to repay uniform payments already issued to them.

DISCUSSION:

The theme throughout this report supports selective temporary financial relief for the City, which is struggling within a recovering economy, and with its need to fund public services in a very different way than in the past. As stated above, the City in getting its financial house in order it is asking for permanent change, but the facts and the importance of this benefit to bargaining unit members who have earned and improved this benefit over several years only supports a one-time temporary suspension, that is be restored in full the following contract year. The fact-finder recognizes the magnitude of this sacrifice on the part of the bargaining unit, but hopefully this one-time savings will help create a more stable and secure place of work for these bargaining unit employees.

RECOMMENDATIONS (including any prior TAs): The following language will be added to Article 43, Section 1 of the City Hall Unit and Article 34, Section 34.03 of the Police Records Unit contracts:

Employees will receive not receive a uniform/dress allowance in calendar year 2016.

ISSUE 7 DURATION

CITY'S POSITION: The **City** proposes the following:

City Hall Unit

ARTICLE 52 - DURATION

Amend Article 52 to read as follows:

This Agreement represents the complete Agreement on all matters subject to bargaining between the City and the Union. **This Agreement shall become effective upon ratification** and shall remain in full force and effect until ~~October~~ **December 31, 2017**, ~~either party may request to reopen the Agreement in 2012, 2013, 2014 for purposes of negotiating Article 34 Salary Schedule and Supplements. Upon receipt of such a request in writing given to it by the other party by July 1st, the parties will meet to negotiate changes to Article 35 for the current year.~~

Police Records Unit

ARTICLE 48 - DURATION

Amend Article 48 to read as follows:

This Agreement represents the complete Agreement on all matters subject to bargaining between the City and the Union. **This Agreement shall become effective upon ratification** and shall remain in full force and effect until ~~October~~ **December 31, 2017**, ~~either party may request to reopen the Agreement in 2012, 2013, 2014 for purposes of negotiating only Article 35 (Wages). Upon receipt of such a request in writing given to it by the other party by July 1st, the parties will meet to negotiate changes to Article 35 for the current year.~~

The City noted that the parties had discussed both a terminal date of December 31, 2016 and a terminal date of December 31, 2017.

UNION'S POSITION: The **Union** proposes the following:

A terminal date of December 31, 2017.

DISCUSSION:

The parties are in general agreement over the length of the contract, which will provide a period of time where general negotiations, with the exception of wages, will not have to be negotiated.

RECOMMENDATIONS (including any prior TAs): Article 52 of the City Hall Unit and Article 48 of the Police Records Unit contracts will be amended to read as follows:

City Hall Unit

ARTICLE 52 - DURATION

This Agreement represents the complete Agreement on all matters subject to bargaining between the City and the Union. **This Agreement shall become effective upon ratification** and shall remain in full force and effect until ~~October~~

~~December 31, 2017.~~ Either party may request to reopen the Agreement in ~~2012, 2013, 2014~~ **2016** for purposes of negotiating only Article 35 (Wages) - **may include proposed equity increases**. Upon receipt of such a request in writing given to it by the other party by ~~July 1st~~ **November 1, 2016**, the parties will meet to negotiate ~~changes to~~ **over** Article 35 for ~~the current year~~ **2017**.

Police Records Unit

ARTICLE 48 - DURATION

This Agreement represents the complete Agreement on all matters subject to bargaining between the City and the Union. **This Agreement shall become effective upon ratification** and shall remain in full force and effect until ~~October~~ **December 31, 2017. either party may request to reopen the Agreement in ~~2012, 2013, 2014~~ **2017** for purposes of negotiating Article 34 Salary Schedule and Supplements. Upon receipt of such a request in writing given to it by the other party by ~~July 1st~~ **November 1, 2016**, the parties will meet to negotiate changes to Article 35 for the ~~current year~~ **2017**.**

ISSUE 8 ADDITIONAL PERSONAL HOLIDAYS

UNION'S POSITION: The **Union** proposes the following:

Two additional personal holidays with a sunset clause expiring at the end of the contract.

The Union argues that its proposal serves as a benefit to the Employee in a time when the City's finances cannot sustain externally comparable wage increases. The Union further contends that the proposal has no cost to the City as personal holiday days are only granted at the approval of an employee's supervisor. Finally, the Union notes that the proposal is temporary in nature and does not bind the Employer going forward.

CITY'S POSITION: The **City** proposes the following: Current Contract language.

The City argues that the provision of additional, paid time off will undercut the City's productivity which has already suffered as a result of staffing reductions necessitated by fiscal restraints.

DISCUSSION:

The fact-finder has granted the City temporary relief in this report in selected benefit areas. In response and on a temporary basis the Union's position on establishing two (2)

additional personal holidays during 2016 is supported by the facts and the sacrifices made by the bargaining unit in 2016.

RECOMMENDATIONS (including any prior TAs): The side letters containing the following language will be attached to the City Hall Unit and Police Records Unit Contracts:

From January 1, 2016 through December 31, 2016, each employee may request use of up to two (2) Personal Holidays from his/her supervisor. Approval of requests for use of a Personal Holiday is subject to the needs of the City, but may not be unreasonably denied. Any Personal Holiday not used in 2016 is forfeited. This Side Letter will become null and void on January 1, 2017.

TENTATIVE AGREEMENT

Any tentative agreements reached by the parties as well as any current language that is not changed or not addressed above shall be considered to be recommended in the successor Collective Bargaining Agreement.

The fact finder respectfully submits the above recommendations to the parties this 13th day of October 2015 in Portage County, Ohio.

A handwritten signature in black ink that reads "Robert G. Stein". The signature is written in a cursive style with a large, sweeping initial "R".

Robert G. Stein, Fact finder