

State of Ohio

State Employment Relations Board

In the Matter of Fact Finding	:	SERB Case Number: 2017-MED-07-0795
	:	
Between:	:	
	:	
City of Zanesville, Ohio	:	Date of Hearing: May 7, 2018
Employer	:	Date of Report: June 6, 2018
	:	
And:	:	
	:	
AFSCME, Local 1573, Council 8	:	Felicia Bernardini, Fact Finder
Union	:	
	:	

Fact Finding Report and Recommendation

Appearances:

For City of Zanesville, Ohio, Employer

Jonathan J. Downes, Esq., Zashin & Rich, Fact Finding Spokesperson
 Jeff Tilton, Mayor
 Tony Coury, Chief of Police
 Rhonda Heskett, Budget & Finance Director

For AFSCME, Local 1573, Council 8, Union

Stephen M. Roberts, AFSCME, Council 8, Fact Finding Spokesperson
 Ryan Braglin, AFSCME, Council 8, Staff Representative
 Karen Schroeder, Local 1573, Steward
 Chris Fleming, Local 1573, Executive Board Member
 Donald Wallace, Local 1573, Vice President
 Billy Rosser, Local 1573, President
 Andy Newton, Local 1573, Secretary

Introduction

Case Background

Felicia Bernardini was selected by the parties to serve as fact finder in the above referenced case and duly appointed by the State Employment Relations Board (SERB) on March 20, 2018 in compliance with the mutually agreed upon settlement procedure of the parties. The case concerns a fact finding proceeding between the City of Zanesville (hereafter referred to as the “Employer” or the City) and AFSCME, Local 1573, Council 8 (hereafter referred to as the “Union” or “Unit”).

Prior to the hearing, the parties engaged in contract negotiations on multiple dates between November 2017 and January 2018. Many issues were settled through negotiation, however the parties reached impasse at the end of January and participated in mediation with SERB Mediator Ken Hickey on March 6, 2018. A settlement was not reached through mediation. A fact finding hearing was held on May 7, 2018. Both parties timely filed the required pre-hearing statement.

Issues

The remaining open issues addressed by both parties at the hearing are as follows:

Article 12: Communication Operators – Vacation Scheduling

Article 21: Wages – Cost of Living Adjustment

Article 25: Insurance Schedule – Premiums

General Background Information

Zanesville, Ohio is the county seat of Muskingum County, Ohio. It has a population of approximately 25,467 as of 2016. The bargaining unit consists of approximately 100 employees in 33 different job classifications spread across a diverse group of city services including police dispatch, sewer treatment, water distribution, parks and recreation maintenance, sanitation, utility billing, and several other city work units.

Positions, Discussion and Recommendations

At the hearing the parties presented their respective arguments on the issues in numeric order by contract article. Therefore, the format of this report follows this same order. Below, the

position of each party is briefly summarized. Position summaries are followed by a brief analysis and discussion, which is followed by the fact finder's recommendation.

In analyzing the positions of the parties and making recommendations the fact finder is guided by available, relevant evidence and the criteria set forth in ORC 4117.14(G)(7)(a) to (f):

- (a). Past collective bargaining agreements, if any between the parties;
- (b). 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;
- (c). 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;
- (d). The lawful authority of the public employer;
- (e). Any stipulations of the parties;
- (f). 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.

1. Article 12: Communication Operators

Employer Position

There are 11 civilian dispatchers in this bargaining unit. A new hire in the Communication Operator classification (i.e., dispatcher) currently serves a 120-day probationary period. All other members of the Police Department serve a 365-day probationary period. The Employer's proposal is to increase the dispatcher probationary period to 365 days making it consistent with all of the other employees of the Police Department. A new dispatcher is assigned to 12 weeks of training with a training officer. Once a new dispatcher completes 90 days of training only 30 days remain in the probationary period to evaluate the new dispatcher's on-the-job skills before the probationary period ends. Dispatchers are responsible for dispatching for police, fire and EMS. Dispatchers in this unit must become certified in emergency medical dispatch (EMD), the Attorney General's OHLEG system and the Highway Patrol's LEAD system. Dispatch work can be highly stressful and complex; it requires more than 30 days of independent performance for a true evaluation to take place. Although most performance problems seem to surface early in the

probationary period (e.g., inability to adjust to stress, inadequately cope with multi-tasking) by extending the probationary period Department management would be able to pair new dispatchers with seasoned dispatchers for a longer period. The proposed longer probationary period would ensure that a new dispatcher is mentored through the variety of complex calls that will surface through a full year of service. There are currently three dispatchers in their initial probationary period who are due to complete their training and be assigned to a regular shift. The Employer's proposal, if adopted, would apply to these three current probationary employees as well as all future new hires. The Employer's proposal to change the length of the probationary period would not in any way change the current contract language in Section 21.2 of the CBA and the current practice pertaining to the timing of pay step increases.

The Union has raised a separate issue in this article which is unrelated to the length of the probationary period. The Union has proposed eliminating the word 'consecutive' from Section 12.2C on vacation scheduling. The Employer opposes the Union's proposal because it would create a different standard for vacation scheduling within the non-striking safety forces in the City. The City further opposes deletion of the word 'consecutive' because of the operational impact, which would allow the most senior dispatcher on each shift to spread out his/her accumulated vacation over prime vacation holiday weeks in the first round of vacation bidding, thereby locking out less senior dispatchers from a fair chance at reserving the most desirable vacation weeks in the year. For purposes of operational consistency the Employer has proposed to eliminate the existing language in Section 12.2A-E and introduce language mirroring that in contracts of the five bargaining units in the Police Department. The new language proposed by the Employer would maintain the current practice of annual bidding in seniority order, allow for up to four consecutive weeks scheduled in the first round of vacation bidding, and provide for two subsequent rounds of vacation bidding.

Union Position

The Union proposes to adopt the Employer's proposal to extend the probationary period to 365 days from the date of hire. However, the Union objects to the retroactive application of the new probationary period to any current bargaining unit member hired prior to the ratification of the new CBA.

As for the Union's proposal to eliminate the word 'consecutive' from the current language in Section 12.2C regarding vacation scheduling, the bargaining unit members all support this change. The Union represents all of the members in the Unit both senior and junior; the entire work unit of

dispatchers approves this language change, it would not have been proposed otherwise. The Union's proposal is consistent with the past practice in the work unit. Prior to the current Chief, the work unit members were allowed to select up to four nonconsecutive weeks of vacation. The number of employees in this work unit is small – only 11 currently. These members know each other and work out vacation preferences to accommodate important priorities for time off such as wedding weeks or other family events. The primary reason for wanting to take week-long vacations spread throughout the year rather than blocking off a single four-week vacation is because dispatching is a high-stress job and a week of vacation is a great stress reliever. It is more advantageous to the dispatchers to have the option of spreading vacation time throughout the year. The benefit that a dispatcher receives from a single week away from the job is not proportionately increased by being off work for four consecutive weeks. The proposed change does not create an operational hardship for the Employer. The notion that parity and consistency within the Police Department trumps the Unit's interests is a faulty premise. This unit is sufficiently different in that it is a small civilian unit represented by a different Union than the other large law enforcement units in the Department.

Discussion and Recommendation

For the most part, the Parties have agreed on the idea that it is reasonable to increase the probationary period for the civilian Communication Officers (i.e., Dispatchers) from 120 days to 365 days inclusive of training. What remains on this proposed change to Article 12 is to offer a recommendation on how to handle existing employees currently serving in an initial probationary period upon ratification of the new agreement. This is an issue that was tacitly put before the fact finder during the hearing by virtue of the parties' inclusion of their respective, divergent opinions on how implementation of the new provision of a 365-day probationary period would be handled. The fact finding criteria are of limited value in reaching a recommendation on this matter because the issue is not so much a matter of *what* the provision should be, but rather *how* the provision should be applied during the window of transition. This is more a question of individual equity (familiar territory to a labor arbitrator) rather than a question of either public policy or economic parity. Employees hired with the understanding that they will enjoy all of the benefits and job security that comes with being a vested member of the bargaining unit after successfully serving a 120-day probationary period would have their future job security and seniority rights substantially changed by this new provision. Furthermore, the change could cause a substantial impairment to an employee who has relied on the existing provision to make personal or family plans to accommodate

her/his anticipated post-probation schedule or other working conditions. Going from 120 to 365 days on probation triples the time a newly hired employee spends in a conditional employment status and as such is no small thing. It seems reasonable and fair that a newly hired employee be provided the courtesy and right to make a commitment to employment with the City in full knowledge of the length of the probationary period to be served. This being the case, my recommendation on this matter would be to make the new 365-day probationary period effective proactively for anyone hired anew on a date that falls after the ratification of the collective bargaining agreement.

As for the parties' respective proposals to change the language pertaining to vacation scheduling, neither party offers a compelling operational rationale for making a change to the language. The language, as it is, is long-standing in this CBA. For a fact finder to change the language some evidence of a change in circumstances resulting in the dysfunction or ineffectiveness of the existing language would be helpful. As the language currently is, it contains the basic operational elements of the Employer's proposal – seniority-based rounds of bidding and the requirement that the initial bid be for consecutive weeks of vacation. Editing the language to mirror that found in the FOP contracts in the Police Department primarily serves to eliminate this Unit's current option to use compensatory leave in the second round of bidding. This is a concession, the need for which was not supported by the Employer's evidence or argument.

The Union's proposal to eliminate the word 'consecutive' from the bidding process would allow senior employees to spread their four weeks of vacation across the calendar effectively blocking less senior employees from being able to bid on premium holiday weeks. The Union supports its position with two arguments. First, that it is not the intent of senior unit members to take advantage of junior unit members by snapping up the premium holiday weeks for vacation in the first round of bidding. However, even if the proposed change would have this effect – so be it; seniority benefits are the purview of the Union and its members, and this is a change the membership supports. This is an argument that best suits the process of negotiations where the parties can do for themselves what a fact finder should rightly be reluctant to do. Second the Union argues, the desire to spread out vacation weeks is due to the high-stress work environment and the need to take a vacation week periodically in order to decompress. There is nothing in the current contract language that prohibits a unit member from spreading out his/her requested vacation weeks by using the successive rounds of bidding to do so. The current practice may not give a senior member his/her first picks for weeks off, but there is no operational barrier to spreading weeks of

vacation throughout the year to serve as periodic, needed stress relief. If there are operational barriers, they were not made clear to the fact finder during the hearing.

Recommendation

The statutory criteria require that the fact finder consider the past collective bargaining agreements of the parties and the interests of the public. Given the facts of the proposal and these statutory criteria the fact finder recommends adoption of a 365-day probationary period applied to new hires after the date of ratification of the new agreement and current contract language in the remaining sections of Article 12.

Relevant contract language shall read in part as follows:

ARTICLE 12 COMMUNICATION OPERATORS

SECTION 12.1 Length of Probationary Period

All original appointments made pursuant to Section 124 of the Ohio revised Code shall be for a probationary period starting from the date of hire and continuing for 365 days.

SECTION 12.2 Shift Rotation (current contract language)

SECTION 12.3 Vacation Scheduling (current contract language)

SECTION 12.4 Roving Communication Operator (current contract language)

2. Article 21: Wages

Union Position

The Union is seeking wage increases as follows:

- 4% retroactive to the first full pay period in January 2018.
- 3% effective the first full pay period of January 2019.
- 3% effective the first full pay period of January 2020.

The Union is also proposing a new benefit of a \$0.25 per hour shift differential for all Unit employees working on the second and third shifts.

It is not the intention of the Union to bankrupt the Employer. The Employer has never argued that it cannot afford to fund reasonable pay raises for this Unit. The Union's proposal is reasonable and it is designed to offset the increasing cost of the City's health insurance benefits. In order for the members of this bargaining unit to walk away from negotiations with an actual net increase in wages the cost of living adjustment must be more

than the increased cost of healthcare. A pay raise of \$0.30 an hour can be cut in half by a health insurance increase that eats up \$0.15 an hour of that raise. Over the past several consecutive contracts covering six years the Unit has received only about an 8% cumulative increase in wages. This does not even keep pace with the inflation over the same period of time. This Unit's wages have simply not kept pace with the increased cost of living. The Union's proposal is not unreasonable given that there are several examples of jurisdictions that have recently settled their respective negotiations with 3% annual wage increases. Examples are provided in exhibits. Included are AFSCME Units from the City of Columbus with 3% increases in its contract covering 2017-2020, the Fayette County Engineer with 3% increases in each year from 2017-2020; the City of Dayton with 3%, 2% and 2% in 2018, 2019, and 2020 respectively; and Mercer County Joint Township Community Hospital with 2.5%, 2.0% and 1.5% increases in 2016, 2017, and 2018 respectively.

The Union's proposal to introduce a shift differential is to offset the costs incurred by those employees who report for work on second and third shifts. The proposal is consistent with the amount of shift differential offered by many employers. A shift differential is a common benefit and should be considered for this bargaining unit as another means of providing for competitive wages and offset the cost of rising insurance benefits.

Employer Position

The Employer proposes the following pay raises during the term of the Agreement:

- 1.5% effective the first full pay period of April 2018.
- 2.5% effective the first full pay period of January 2019.
- 2.0% effective the first full pay period of January 2020.

The Employer opposes the Union's proposal to introduce a shift differential into this contract. There is no shift differential provision in any of the City's labor agreements.

The Employer recognizes the need to provide a realistic cost of living adjustment for its employees. However the City's finances, although stable, have not shown any growth in the past several years. Most recently the carryover of the General Fund has been eroded due to a series of years with deficit spending. Currently the City's finances are best described as stagnant. The budget for 2018 shows that, of the 1.9% income tax levied in the City, only 1% of the revenue collected is placed into the General Fund out of which all of the City's non-safety force services are funded. The

General Fund budget has been stagnant at approximately \$19.5M for the past three years. In 2018, the beginning General Fund carryover balance was approximately \$2.5M, in 2017 it was \$2.4M, in 2016 it was \$3.0M, in 2015 the balance was \$3.3M and in 2014 the balance was \$4.0M. These figures show that over the term of the 2014-2017 CBA which has just expired, the City experienced consistent deficit spending resulting in a decline in the General Fund carryover of approximately \$1.6M from 2014 to the current budget in 2018. Revenues have been in a stagnant, no-growth pattern for the past three-to-four years. At approximately 16%, the General Fund's carryover balance just meets the minimum recommend standard of the GFOA.

Also relevant for this bargaining unit are the balances of the Water, Sewer, and Sanitation Funds. Each is an enterprise fund that operates on the basis of fees collected for services. The Water Fund carryover balance as of 1/1/2014 was \$935K, in 2015 it was \$418K, in 2016 it was \$208K, in 2017 the balance was just \$882. A water rate increase was necessary in 2017, which brought the carryover balance to \$637K in 2018. The Fund's expenses for 2017 were \$5.5M. The Sewer Fund carryover balances for the same years were: \$620K in 2014, \$734K in 2015, \$94K in 2016, \$368K in 2017 and \$837K in 2018. The Sewer Fund's total expenses in 2017 were \$5.6M. The Sanitation Fund, which covers refuse and recycling services had a 2016 carryover balance of \$228K, in 2017 the carryover balance was \$35K, and in 2018 the carryover balance was \$58K. These Funds only cover current operating costs; there are no improvements or expansions covered by these Funds. There are no fee increases planned at this time.

The Employer's position on wages is a direct reflection of the City's economic and demographic profile. Zanesville is not situated in a prosperous part of Ohio. It is what has been referred to by economists as a 'legacy city' in Ohio. The industry of this city began in the 19th Century and was based on pottery and glass. This industry has been gone for many decades and it has not been replaced. The demographic data illustrates the economic decline of the City. Both the population of the City and the civilian labor force have plateaued since the year 2000. It is an aging workforce and this creates supply pressure for new personnel. 30% of the population lives in poverty. This percentage has grown by 7% in the past 5 years. These demographic trends directly impact the number of residents who pay income tax, and they contribute to the stagnant nature of the City's finances. The average Adjusted Gross Income (AGI) for 2015 (the most recent data available) is \$38,788 per filed tax return. This figure has grown by approximately 14% since 2005, while the CPI-U has grown by approximately 19% in the same ten years. Income in this geographic area is not keeping up with inflation which also accounts for the stagnant finances of the City and

speaks to the residents' inability to fund City workers' raises that would exceed inflation. The median household income for Zanesville in 2016 was \$26,039 down from \$27,284 in 2010; this is a decrease of \$1,245 or -4.6%. Another benchmark statistic is the reduction in per capita income for Zanesville, which dropped from \$17,545 in 2010 to \$16,577 in 2016, a reduction \$968 or -5.5%. In summary, the outlook for Zanesville is not one of prosperity and economic recovery as seen in some other areas of Ohio.

The City has offered this Union the same wage package that it has negotiated with its other bargaining units. It is a matter of equity and parity that this Unit should be treated the same and not be given any economic advantage over the other bargaining units. The offer is a 6% increase over the three-year term of the agreement. The fact finding proposal places the 2.5% increase in 2019 rather than in 2020, which provides for a slight enhancement of the overall proposal due to the compounding effect of the 0.5%.

Discussion and Recommendation

The wage dispute is centered on the question of what constitutes a reasonable and affordable cost of living adjustment (COLA). The Employer has not raised an inability to pay argument; its position is that it cannot afford a wage increase that outpaces inflation. The Employer has further argued that when it comes to cost of living adjustments the appropriate comparators are the other Zanesville City employees, not distant municipalities or dissimilar governmental jurisdictions that do not operate in the Zanesville local economy or labor market. The Union on the other hand has argued that a series of three annual wage increases slightly above the CPI-U trend rate is warranted due to years of wage stagnation resulting from low cost of living adjustments eaten up by rising health insurance costs. Neither party has introduced evidence for the purpose of arguing for or against a wage increase based on the comparability of the bargaining unit's pay ranges to those of similarly classified service workers in other municipalities or governmental jurisdictions in the area.

The evidentiary record supports the Employer's position on wages. When there is no argument that a bargaining unit's pay ranges are lagging behind external comparables, there is no parallel argument for cost of living adjustments that are above those of internal comparables. The most compelling comparison for what constitutes a reasonable cost of living adjustment are the cost of living adjustments bargained by other Units of the same Employer. These other Units become the best comparators by virtue of the fact that they live and work in the same economy, are subject to the same, or very similar, employer financial profile (depending on the particular governmental

funds involved), and that parity among bargaining units promotes local labor peace and is in the best interest of the public.

The Consumer Price Index for All Urban Consumers (CPI-U) serves as an accepted economic surrogate for inflation. In recent years the CPI-U annual average has increased as follows: 2.1% in 2012, 1.5% in 2013, 1.6% in 2014, 0.1% in 2015, 1.3% in 2016, and 2.1% in 2017.¹ This is a total increase of 8.7% or an average of 1.45% annually for the past 6 years. This bargaining unit has received the following wage increases over the same years: 0% in 2012, 1% in 2013, 1% in 2014, 3% in 2015, 1% in 2016, and 2% in 2017. This is a total of 8% and an annual average of 1.33%.²

Although the variance between the annual CPI-U and the Unit's annual COLA is significant in some years, which can result in a period of reduced purchasing power in the marketplace, the overall averages suggest that this Unit's relative purchasing power has generally kept pace with the regional economy over time. SERB data also shows that this bargaining unit has recently been keeping pace with average wage settlements among peer bargaining units. This Unit's 2012-2014 wage settlements were below average; however in 2015-2017 its wage settlements were on par with those in the Southeast Ohio Region, those in Cities across Ohio, and those of service-type units across Ohio.³

Given the demographic and economic indicators for Zanesville presented by the Employer, the general inflation and wage settlement data available, and the fact that the Employer's wage proposal is the same as that for all other City employees, the Employer's proposed annual wage increases are more reasonable. Four percent and three percent increases as sought by the Union are not economically sustainable, nor is there evidence that the Unit has a compelling case that makes it different from the Employer's other bargaining units.

There is no evidentiary support for the Union's proposal to introduce a shift differential into this labor agreement. There were no comparables presented, no current pay range data presented, no financial impact data presented, nor extenuating circumstances for the fact finder to consider. Therefore, the fact finder has no basis upon which to evaluate the merits of the proposal.

Recommendation

The statutory criteria require that the fact finder consider the Employer's ability to pay, and the comparable wages and benefits of similarly situated public employees. In light of these criteria

¹ US Bureau of Labor Statistics, Consumer Price Index, 12-month percent change data tables

² AFSCME Ohio Council 8, Local 1573 Pre-Hearing Position Statement

³ SERB Annual Wage Settlement Report (2008-2017)

the fact finder rejects the Union's proposal for a shift differential and recommends the following wage settlement:

- Retroactive to the first full pay period of January 2018 wages will increase by 1.5%.
- Effective the first full pay period of January 2019 wages will increase by 2.5%.
- Effective the first full pay period of January 2020 wages will increase by 2.0%

Relevant contract language shall read in part as follows:

ARTICLE 21: WAGES

SECTION 21.1 Salaries, Wages and Salary Ranges

The salaries, wages and salary ranges for all positions in the bargaining unit shall be in accordance with those set forth in Appendix I. Wages shall be effective the first day of the first full pay period of January 2018, 2019 and 2020.

SECTION 21.2 – Pay Increments (current contract language with appropriate corrections of editing errors in subsection C currently identified as subsection D)

SECTION 21.3 – Longevity Pay (current contract language)

SECTION 21.4 – CDL Commercial Driver's License (current contract language)

APPENDIX I – WAGE SCALES 2018, 2019, 2020

Wage scales to be recalculated and edit to reflect a 1.5% increase in January 2018, a 2.5% increase in January 2019, and a 2.0% increase in January 2020.

3. Article 25: Insurance Schedule

Union Position

The Union proposes to freeze employee contributions to the health insurance premium rates at their current levels for the life of this agreement. The Employer's proposal is to increase the member's cost by \$11.00 per pay period in 2018, and by an additional \$12.00 per pay period for 2019. Over 26 pay periods these increases will cost the member \$286 in 2018 and \$312 in 2019 and beyond. These increased costs equate to a \$0.13 per hour increase in 2018 and a \$0.15 per hour cost increase in 2019 and 2020. These increased costs in the health insurance program offset the Employer's wage proposal and result in wage stagnation for this bargaining unit.

The Union certainly understands that its members must pay their fair share of the cost of the healthcare benefit; however there has been no real dialogue between the parties to explain the basis

for the increased costs. The Union is concerned that the health insurance labor/management committee, as provided for in this CBA, has not met as it should. This being the case the Union has not been adequately informed as to the factors that are impacting the health insurance program, nor is the Union informed about the actual or projected rate of inflation for the health insurance program. The bargaining unit members do not know how to budget and plan for possible increases in insurance premiums, the Plan's deductible, co-pays, coinsurance and prescription costs. Given this lack of information from the Employer, the Union is not even sure that its wage proposal will cover the costs of healthcare inflation.

Employer Position

The Employer's final proposal for the purpose of fact finding acknowledges some of the Union's concerns regarding the interplay of health insurance costs and wages. For this reason the Employer proposes to hold the members' premium costs steady in 2018 at 2017 levels. The first increase is proposed for 2019 when premiums will increase by \$11.00 per pay period for single coverage and \$16.00 per pay period for family coverage. The premiums are proposed to increase in 2020 by \$7.00 per pay period for single coverage and \$10.00 per pay period for family coverage. The Employer has also recognized the Union's concern about wage increases being eaten up by the cost of insurance and has therefore moved the offered 2.5% wage increase from the third year of the contract to the second year of the contract to correspond with the first proposed premium increase under the contract. The City's health insurance program is a citywide program that covers all City employees, both represented and non-represented. The proposal presented to this Unit is the same proposal that was presented and accepted by the other City bargaining units.

Discussion and Recommendation

The same factors concerning citywide inter-bargaining unit parity, as discussed above in the matter of wages, apply to the settlement of the health insurance provision. All of the City's employees are covered by the same healthcare program, and all have been paying the same premium rates for single and family coverage in past labor contracts. The premium rates proposed by the Employer for this bargaining unit are those proposed, and settled, for other city employees prospectively to 2020. The current and proposed rates are charted below on the left. Charted to the right are data from the SERB 2017 Health Insurance Report. With a 2016 population of 25,467 and a population rate that is trending downward, Zanesville is best compared to cities with a population

of 25,000 or less. However, for comparison purposes data is provided for cities with a population of 25,000 – 99,999 as well. The City’s employee contribution rates in 2017 compare favorably with statewide averages.

City’s Proposed Premium Rates				
Year	Single (per pay)	Family (per pay)	Single (per month)	Family (per month)
2017	\$37	\$84	\$74	\$168
2018	\$37	\$84	\$74	\$168
2019	\$48	\$100	\$96	\$200
2020	\$55	\$110	\$110	\$220

SERB Municipality Data Average Monthly Premium Rates for 2017		
City Size	Single	Family
Less Than 25,000	\$63	\$181
25,000-99,999	\$82	\$222

The City’s single plan contribution rate is slightly higher than statewide averages, whereas family plan contributions are slightly lower than statewide averages. Although statewide data is not available for 2018 or beyond, the City’s planned premium increases will likely remain reasonably competitive with those in peer jurisdictions.

Recommendation

The statutory criteria require the fact finder to consider the bargaining history of the parties as well as the Employer’s ability to pay for and administer the provisions of the contract. In light of these factors, the Employer’s proposal for the dollar amounts for healthcare premium contributions in 2018 – 2020 is recommended.

Relevant contract language shall read in part as follows:

ARTICLE 25: INSURANCE SCHEDULE

SECTION 25.1 Insurance

(A) – Current contract language

(B) – Current contract language

(C) – Current contract language

(D) For the year 2018, the payroll deduction each pay period after the effective date of this ordinance shall be thirty-seven dollars (\$37.00) for single coverage and eighty-four (\$84.00) for family coverage. For 2019, payroll deduction for health coverage shall not exceed twelve percent (12%) of the fully-funded rates provided to the City by the plan’s third party administrator at the annual plan renewal, nor

shall the payroll deduction exceed forty-eight dollars (\$48.00) for single coverage and one hundred dollars (\$100.00) for family coverage. For 2020, payroll deduction for health coverage shall not exceed twelve percent (12%) of the fully-funded rates provided to the City by the plan's third party administrator at the annual plan renewal, nor shall the payroll deduction exceed fifty-five dollars (\$55.00) for single coverage and one hundred-ten dollars (\$110.00) for family coverage.

(E) Current Contract Language

(F) Current Contract Language

(G) Current Contract Language

(H) Current Contract Language

Conclusion

In this report I have attempted to make reasonable recommendations that both parties will find acceptable. If errors are discovered or if the parties believe they can improve upon the recommendations, the parties by mutual agreement may adopt alternative language.

After giving due consideration to the positions and arguments of the parties and to the criteria enumerated in ORC 4117.14(G)(7)(a) to (f) the fact finder recommends the provisions as enumerated herein. In addition, all tentative agreements (TAs) previously reached by the parties along with all sections of the current Agreement not negotiated and/or changed, are incorporated by reference into this Fact Finding Report and should be included in the resulting collective bargaining agreement.

Respectfully submitted and issued at Columbus, Ohio this 6th day of June 2018.



Felicia Bernardini,
Fact Finder

CERTIFICATE OF SERVICE

The undersigned certifies that a true copy of this Fact Finding Report was sent by e-mail on June 6, 2018 to:

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