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STATE OF OHIO
STATE EMPLOYMENT RELATIONS BOARD

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In the Matter of Fact-Finding	:	
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Between	:	Case No.: 95-MED-09-0793
	:	
CITY OF BELPRE, OHIO	:	
	:	Fact-Finder:
and	:	Howard D. Silver
	:	
AMERICAN FEDERATION OF STATE,	:	
COUNTY AND MUNICIPAL EMPLOYEES,	:	Fact-Finding Hearing:
OHIO COUNCIL 8, AFL-CIO,	:	February 16, 1996
LOCAL 3507	:	

REPORT OF FACT-FINDER

APPEARANCES

For: City of Belpre, Ohio

Charles A. King
Clemans, Nelson & Associates, Inc.
8520 East Kemper Road
Suite 4
Cincinnati, Ohio 45249

For: American Federation of State, County and Municipal
Employees, Ohio Council 8, AFL-CIO, Local 3507

Barry B. Bolin
General Representative
AFSCME, Ohio Council 8
5 Pomeroy Road
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This matter came on for fact-finding on February 16, 1996, at the City of Belpre Municipal Building, 201 Washington Boulevard, Belpre, Ohio. The fact-finding session on February 16, 1996 proceeded in the manner of a formal fact-finding hearing, the

parties having declined mediation from the fact-finder. Both parties were afforded a full and fair opportunity to present evidence and arguments in support of their respective positions. The fact-finding session on February 16, 1996 concluded on the same day, and by mutual agreement of the parties the time for the fact-finder to file a report was extended to the close of business on March 7, 1996.

BACKGROUND

The City of Belpre, Ohio had a population of 7,300 in 1990. In 1995, the City of Belpre's population was 6,796.

The bargaining unit in this fact-finding is comprised of city of Belpre employees responsible for work associated with water, wastewater, and street maintenance, and clerical positions supporting this work. This bargaining unit comprises fourteen to fifteen bargaining unit positions classified among the classifications Accounting Clerk 1, Accounting Clerk 2, Accounting Clerk 3, Sewer Treatment Plant Operator 1, Sewer Treatment Plant Operator 2, Sewer Treatment Plant Operator 3, Meter Reader, Laborer 1, Laborer 2, Laborer 3, Equipment Operator 1, Equipment Operator 2, Equipment Operator 3, and Sewer Plant Attendant. This bargaining unit, Local 3507, exclusively represented by AFSCME, Ohio Council 8, has negotiated collective bargaining agreements in the past with the city of Belpre, the latest collective bargaining agreement

between these parties having been in effect from January 1, 1994 through December 31, 1995.

On December 1, 1995, in compliance with Ohio Revised Code section 4117.14(C)(3), the Ohio State Employment Relations Board appointed the undersigned as fact-finder to the parties, to present to the parties and the State Employment Relations Board a written report of findings of fact and recommended contract language no later than a mutually agreed date to be established by the parties pursuant to Ohio Administrative Code section 4117-9-05(G). A fact-finding session was convened on February 16, 1996, at a location and time mutually agreed by the parties. At this fact-finding session the parties presented evidence, oral arguments, and written materials in support of their respective positions, and participated in a process of fact-finding overseen by the fact-finder.

ISSUES AT IMPASSE

The fact-finder presents the issues about which the parties have been unable to reach agreement in the order in which they were presented to the fact-finder at the fact-finding session on February 16, 1996.

1. Management Rights

The Union proposes that rather than retain language appearing as Article 8 within the parties' predecessor collective bargaining

agreement, an article expressing management rights reserved to the Employer, this article be deleted from the parties' new agreement. The Union argues that management rights are fully presented within Ohio Revised Code Chapter 4117, fully enforceable as a matter of Ohio law, and therefore any expression of management rights reserved to the Employer within the parties' collective bargaining agreement is unnecessary and mere surplusage.

The Employer views this suggestion by the Union as whimsical and proposes to retain Article 8 as expressed within the parties' predecessor agreement within the parties' successor agreement.

The fact-finder finds management rights to be a permissive subject of bargaining and therefore a subject which may be presented in the collective bargaining agreement between the parties. The fact-finder finds the management rights article in the parties' predecessor agreement to be traditional in its description of rights reserved to an employer in managing its operations, especially a public employer. The fact-finder recommends that the parties' prior article addressing management rights be retained unchanged.

Recommended Contract Language: MANAGEMENT RIGHTS

Article Eight: Management Rights

No change.

2. Overtime

Within Article 18 of the parties' predecessor agreement, an article addressing overtime, within section 2, it is expressed that bargaining unit workers shall be paid at a rate of one and one-half times their regular hourly rate of pay for all hours actually worked over eight (8) hours in one day or forty (40) hours in one week. The Union proposes that the language of section 2 in the parties' new agreement be amended to provide for the payment of overtime for all hours employees are in an active pay status which exceed eight hours in one day or forty hours in one work week. The Union points out that a grievance was settled between the parties involving an overtime issue and the settlement was based upon hours in active pay status as opposed to hours actually worked. The Union notes that prior to the predecessor collective bargaining agreement between the parties, active pay status as opposed to actual hours worked was used in determining overtime eligibility.

The Employer notes that actual hours worked comprises the language actually bargained to agreement and included within the parties' predecessor collective bargaining agreement within section 2, but a clerk mistakenly caused workers to be treated as overtime eligible based on active pay status rather than actual hours worked. The Employer denies that the settlement of the grievance or the mistakes of the clerk compromise a past practice approved by either party. The Employer urges that neither vacation nor sick leave be used in determining when overtime eligibility has been reached during a work day or a work week, and only actual hours

worked be counted in determining whether this overtime eligibility threshold has been reached. The Employer claims that this method is comparable to the way overtime is addressed among the largest private employers in the area.

The fact-finder favors the Employer's position on overtime. A worker who has through accumulated vacation, personal leave, or sick leave been authorized to be away from work on an otherwise scheduled work day, may return later in the day or later in the work week among work hours or work days not originally scheduled. Having received compensation for the day away under some form of approved leave, applying these paid hours of leave to satisfying an overtime eligibility threshold seems to the fact-finder to be an additional benefit not otherwise expressed in the language of the parties' previous agreement. Extra hours actually worked exceeding the number of scheduled hours in a work day or forty hours in a work week provide a real and identifiable basis for premium pay. The worker who is required or agrees to work ten hours in a day scheduled for eight, or who provides work for forty-two hours in a work week rather than the scheduled forty, has worked beyond what is considered a full work day or a full work week. It is this extra effort that is compensated at one and one-half times regular pay. The fact-finder is not persuaded that the ability of an employee to, by fate or design, cobble together a variety of pay statuses during the work day or work week such that forty hours are reached on a time sheet presents the same basis for premium pay

that a worker can offer who has actually worked all of the hours necessary to reach overtime eligibility.

The fact-finder recommends that language as to overtime in the parties' predecessor agreement, Article 18, be retained. The fact-finder also recommends that language within section 2 of Article 18 be amended so as to provide for overtime thresholds on longer scheduled work days resulting from four-day work weeks.

Recommended Contract Language: OVERTIME

Article 18: Overtime

Section 18.1

No Change

Section 18.2

Employees shall be paid at the rate of one and one-half (1-1/2) times their regular hourly rate of pay for all hours actually worked in excess of their scheduled work day (either eight or ten hours) or forty (40) hours in one week. Paid time off of any kind will not be considered as hours actually worked. Employees may elect to take compensatory time instead of overtime pay. If the use of compensatory time should involve overtime the choice of the use of compensatory time will be by decision of the Employer.

Compensatory time must be within the fiscal year in which it is accrued if at all feasible, but not later than one (1) month after the fiscal year.

An employee who works for more than four (4) hours of overtime shall receive a paid half-hour lunch break.

3. Sick Leave

The Employer proposes a change to the language addressing sick leave among bargaining unit members within the parties' predecessor agreement, Article 20, an article which provided for sick leave

accumulation at a rate of about fifteen days annually. The Employer wishes to reduce this rate of sick leave accumulation from fifteen days annually to ten days annually, and to include new language which provides that after an employee has used thirty-two hours of sick leave in a calendar year, the first eight hours of sick leave for any subsequent occurrence will be unpaid unless the employee is hospitalized and submits verification of same.

The Employer also proposes that section 8 of Article 20 of the parties' predecessor collective bargaining agreement be amended, a section which provides for the conversion of sick leave to vacation leave and for payment for unused sick leave when a bargaining unit member leaves city employment. This language, in the parties' predecessor agreement, authorized payment for unused accumulated sick leave up to a maximum of 240 hours. Under the language proposed by the Employer for the new agreement, an employee with ten or more years of service to the city of Belpre who retires under one of Ohio's retirement systems would be paid twenty-five percent (25%) of the value of accrued unused sick leave up to a maximum of 240 hours. The Employer proposes that all conversion of sick leave to vacation leave be eliminated under the parties' new agreement.

The Employer notes that effective December 18, 1995, the city of Belpre enacted an ordinance, Ordinance #49 (94-95), which amended Codified Ordinance section 161.04 regarding employee sick leave. Codified Ordinance section 161.04, section 1, was amended by Ordinance #49 (94-95) to extend to collective bargaining exempt

city of Belpre employees sick leave accrual in the amount of 3.1 hours for each completed bi-weekly pay period. This accumulation is the same accrual rate suggested by the Employer for Article 20, section 1 of the parties' new collective bargaining agreement.

The Employer presented data as to 1995 sick leave usage among members of the bargaining unit. Usage in 1995 ranged from 5.5 hours to 229.5 hours. Balances of accrued sick leave in 1995 among these employees ranged from 70.225 hours to 782.796 hours. Hours earned since employment ranged from 120 to 3,240. Percentages of earned sick leave used since employment range from 8% to 83%.

The Employer also provided information as to how sick leave is addressed by four major private employers in the area, namely DuPont, Aims Shovel, Shell, and DeGusa. Each of these employers handles sick leave differently, from ten days per year at 100% pay and ten days per year at 60% pay with no conversion, no carry-over and no payout at retirement; to after one year of employment, two weeks of sick leave paid at 100% and four weeks paid at 50%, after the second year three weeks at 100% and eight weeks at 50%, after year three four weeks at 100% and twelve weeks at 50%, with increases each year up to year twelve when sick leave is accrued at thirteen weeks at 100% and thirty-nine weeks at 50%. Another sick leave system among these large employers involves coverage starting after thirty working days with \$300.00 per week up to fifty-two weeks, with coverage starting the first day after an accident and the seventh day after an illness. Another sick leave policy among these employers starts on the first day of employment

and the first day of illness or injury with six months of regular pay. A comparison of the sick leave accrual policies of other employers in the general vicinity of the city of Belpre to the bargaining unit's 4.6 hours per eighty-hour pay period accrual rate fails to indicate clearly whether this rate is high or not. Without a specific circumstance to apply to these various sick leave systems it is difficult to assess where the 4.6 hours accrual rate stands in comparison to these other systems.

The Employer claims that there is too much vacation and sick leave accrued and that these benefits represent a drain on city resources.

The Union recommends no change to the sick leave language within the parties' predecessor agreement. The Union points out that no disciplinary action has been imposed upon bargaining unit members over the past year for sick leave abuse and points out that if such abuse should occur, discipline is available as a remedy by the Employer. The Union also points out that another bargaining unit represented by a different union chose in negotiations with the city of Belpre to accept a reduction in sick leave and expend more of its bargaining impetus on pay increases. The Union contends that in a similar vein representatives of the police bargaining unit decided to give back vacation and sick leave benefits in exchange for pay increases that were higher at the beginning of the contract period and less during the latter periods of the new contract. The Union emphasizes, however, that the bargaining unit herein is entitled to negotiate on behalf of its members and this

bargaining unit is in no way tied to the decisions or bargaining of other bargaining units.

The Union points out that accrual of sick leave at 4.6 hours for an eighty hour pay period is a traditional accrual rate used in the public sector, expressly set out in Ohio Revised Code section 124.38. The Union notes that the village of Byesville offers 4.6 hours of sick leave accumulation for an eighty-hour pay period, as does the city of New Lexington. The Union sees no reason to simply give back five days of sick leave accumulation per year and recommends that the language in the parties' predecessor agreement be retained.

In rebuttal to the Union's position on sick leave, the Employer maintained that neither disciplinary action nor arbitrations can solve sick leave abuse and noted that it had negotiated a 33% decrease in sick leave coverage with the police bargaining unit and imposed a 33% reduction in sick leave accrual (4.6 hrs. to 3.1 hrs. for an 80-hour pay period) upon exempt city of Belpre employees by means of an ordinance passed in December, 1995 by the Belpre City Council. The Employer agreed that in the case of the police bargaining unit, a reduction in sick leave was tied to a front-end larger pay increase over a three year period rather than an equal pay increase for the same period for the same (9%) amount. The police bargaining unit, according to both parties, secured a 5% pay increase in the first year and accepted 2% pay increases in the second and third years of the contract period for a total of 9% over the three years of the contract.

The Union is quite right to remind the fact-finder that Local 3507 is entitled to negotiate its own collective bargaining agreement and this bargaining unit neither influences nor is influenced by negotiations of the city of Belpre with other bargaining units.

It does appear that a substantial reduction in sick leave accrual was determined by the police to be worth the exchange for a front-end higher pay increase and (presumably) other valuable consideration.

It is difficult to discern in the proposals of the Employer for the new collective bargaining agreement between the parties, many of which have already been accepted and formally approved by the Union for inclusion in the successor agreement, which are in exchange for the reduction proposed by the Employer in the sick leave accrual of bargaining unit members or whether there are other aspects of the successor agreement which offer to the bargaining unit something in exchange for this reduction in benefits. This 33% reduction in the sick leave accumulation of the bargaining unit is not proposed in the context of an excessive accrual rate in the public or private sectors.

The Employer noted a strong policy objective of the legislative arm of the city of Belpre, the City Council, that sick leave accrual be reduced among city of Belpre employees. This objective is therefore not surprisingly found to be the subject of an ordinance of the City Council imposing a 33% reduction in sick leave accrual upon employees of the city who do not bargain

collectively upon terms and conditions of their employment. The imposition of such a reduction upon these exempt employees, however, does not provide a basis upon which to impose the same reduction upon a bargaining unit which opposes such a reduction.

While the accrual of sick leave is a permissible subject of bargaining under Ohio law, the 4.6 hours of sick leave accrual over an eighty-hour work period is a long-standing rate of accrual in the public sector (see O.R.C. 124.38) and is found within the parties' predecessor collective bargaining agreement. A reduction from the 4.6 hours of sick leave accrual for an eighty-hour pay period would therefore be a reduction in a benefit with some history. Such a reduction could be recommended by the fact-finder if there was some reason why such a reduction should occur among this bargaining unit. The city of Belpre's intention to save money by reducing sick leave accrual to bargaining unit members is clearly a positive goal for city government; whether economies in this area should be recommended in the context of this contract formation process remains unclear until other aspects of what the city and the Union propose are considered. At this point in the analysis, however, the fact-finder is not otherwise persuaded to recommend that the reduction in sick leave proposed by the city be included in the parties' successor collective bargaining agreement.

The fact-finder does not recommend the new language proposed by the Employer which would limit the payment of sick leave after thirty-two hours of sick leave are used. There was not much of a discussion about the reasons for such language or about the likely

results of such a change. The fact-finder has no frame of reference to assess this proposal, other than the knowledge that it represents a change from the status quo, and one party endorses it and one party opposes it. Without more, the fact-finder is constrained from recommending such a change.

The other language suggested by the Employer for Section 20.8, concerning retirement and sick leave conversion is recommended by the fact-finder as reasonably intended to limit costs with a minimum of disruption of benefits possessed by long-term bargaining unit members.

Recommended Contract Language: Sick Leave

Section 20.1

Bargaining unit employees shall earn 4.6 hours of sick leave for each completed bi-weekly pay period. Sick leave earnings are pro-rated for any period in which the employee is in no-pay status. Sick leave is accumulative without limit.

Section 20.2

No change

Section 20.3

No change

Section 20.4

No change

Section 20.5

No change

Section 20.6

No change

Section 20.7

No change

Section 20.8

An employee with ten (10) or more years of service with the City who retires from the City under one of the Ohio retirement systems, shall be paid for twenty-five percent (25%) of the value of the employee's accrued but unused sick leave, up to a maximum payment of two hundred forty (240) hours. Payment shall be based upon the employee's rate of pay at the time of retirement. Effective upon implementation of this agreement, conversion of sick leave to vacation leave shall be eliminated.

4. Holidays

The Union proposes that in addition to the ten paid holidays received each year by bargaining unit members, and three personal leave days granted each year (in addition to vacation), an additional personal leave day for bargaining unit members should be added.

The Employer pointed to unreasonably low utility rates used to support the work of the bargaining unit and a one percent (1%) city income tax as restraints upon what the city of Belpre can provide to the bargaining unit to underwrite wages and benefits. The Employer explained that it is looking to get back productive work time from the bargaining unit and while it is not proposing to decrease the number of paid holiday hours, neither does the City deem it wise to increase paid non-working hours. The Employer urges that the status quo remain as to language within the holidays article between the parties.

Other than a desire for an additional leave day, the Union's argument in support of additional leave time authorized by the

holidays article is unsupported. The fact-finder recommends the retention of the language within Article 21 for Holidays as presented within the parties' predecessor agreement.

Recommended Contract Language: Holidays

Article 21: Holidays

Section 21.1

No change

Section 21.2

No change

Section 21.3

No change

5. Vacation

The Employer proposes to reduce contractual vacation accrual for employees who have provided more than twenty-five years of service. The Employer proposes that this particular category of long-term employee be deleted as a separate category within the vacation article, thus maximizing any vacation benefit among employees with more than fifteen years (180 months) of service at a maximum accumulation annually of 200 vacation hours.

The Employer also proposes to lower vacation accrual rates among bargaining unit members hired after January 1, 1996. For these recent hires, vacation accrual rates would remain lower (12 months to 95 months, 2 weeks per year), would increase after eight

years of service and again after fifteen years of service, with fifteen years of service reaching the maximum four week accrual.

The Union believes the article on vacation in the parties' predecessor agreement to be fair and proposes the retention of the status quo. The Union has no particular problem with the two-tiered approach suggested by the Employer as to new hires as the Union's main concern is that no losses be suffered by present bargaining unit members under this article.

The fact-finder recommends that the vacation accrual schedule within Article 22 of the parties' predecessor agreement be retained as it applies to bargaining unit members employed prior to June 30, 1996. For employees hired after June 30, 1996, the vacation accrual schedule as suggested by the Employer is recommended.

Recommended Contract Language: Vacation

Article 22: Vacation

Section 22.1A

Bargaining unit employees hired prior to June 30, 1996 shall accrue vacation leave according to their number of completed months of service with the Employer. Vacation leave shall be accrued at the following rates per bi-weekly pay period:

<u>Service Time</u>	<u>Accrual Rate</u>	<u>Annual Entitlement</u>
12 Mos. to 59 Mos.	3.1 hrs.	80 hrs.
60 Mos. to 119 Mos.	4.6 hrs.	120 hrs.
120 Mos. to 179 Mos.	6.2 hrs.	160 hrs.
180 Mos. to 299 Mos.	7.7 hrs.	200 hrs.
300 Mos. or more	9.2 hrs.	240 hrs.

Vacation credit accrues while on vacation, paid military leave, and sick leave. No vacation credit is earned while an employee is in no pay status or on Workers' Compensation. Pro-rated

vacation is given for any part of a pay period. Eighty (80) hours of vacation credit is added at the completion of twelve (12) months of service. Forty (40) hours of vacation credit is added at the completion of sixty (60), one hundred twenty (120), and one hundred eighty (180) months of service, in addition to the increased rate of accrual.

Section 22.1B

All bargaining unit employees hired after June 30, 1996 shall accrue vacation leave according to their number of completed months of service with the Employer. Vacation leave shall be accrued at the following rates per bi-weekly pay period:

<u>Service Time</u>	<u>Accrual Rate</u>	<u>Annual Entitlement</u>
12 Mos. to 95 Mos.	3.1 hrs.	80 hrs.
96 Mos. to 179 Mos.	4.6 hrs.	120 hrs.
180 Mos. or more	6.2 hrs.	160 hrs.

Vacation credit accrues while on vacation, paid military leave, and sick leave. No vacation credit is earned while an employee is in no pay status or on Workers' Compensation. Pro-rated vacation is given for any part of a pay period. Eighty (80) hours vacation credit is added at the completion of twelve (12) months of service. Forty (40) hours vacation credit is added at the completion of ninety-six (96) months of service and one hundred eighty (180) months of service, in addition to the increased rate of accrual.

Section 22.2

No change

Section 22.3

No change

Section 22.4

No change

Section 22.5

No change

Section 22.6

No change

Section 22.7

No change

Section 22.8

No change

6. Wages

The Union proposes that effective January 1, 1996, all bargaining unit members receive an across the board fifty cents (\$0.50) per hour wage increase; on January 1, 1997, all employees in the bargaining unit receive a forty-five cents (\$0.45) per hour wage increase; and on January 1, 1998, all employees in the bargaining unit receive a forty-five cents (\$0.45) per hour wage increase. The Union also proposes that the new contract include a cost of living (COLA) provision to provide a cost of living increase for each of the employees of the bargaining unit for each year of the contract.

Both parties agree that the consumer price index over the past year has increased by about 2.5%.

The Employer points out that it has had no problem attracting or keeping workers within the bargaining unit and presents a seniority list in support of this view. The hourly rates of pay for bargaining unit members, as presented within Employer's Exhibit D, shows total hourly rates (base plus longevity) from \$8.31 to \$13.27. The average hourly wage among these fourteen bargaining unit members is \$10.59.

The Employer points out that it must make a contribution to the Public Employees Retirement System for each bargaining unit member amounting to 13.55% of wages. The Employer reminds the fact-finder that for every additional dollar spent in wages for an employee, an additional fifty-two cents (\$0.52) is spent in benefits for the employee.

The Employer describes the city of Belpre's economy at this point in time as stagnant, and notes that the City operates under water and sewer rates that are too low when compared to the work which must be done to meet city water and sewer needs. The Employer points out that in negotiations with the police bargaining unit, based on concessions made in sick leave and vacation leave, the police received a 9% increase over three years, with 5% in the first year, followed by 2% and 2% in the remaining two years of the contract. Exempt city employees also experienced substantial reductions in sick leave and vacation accruals.

The Employer does not favor across the board per hour increases by a flat amount but prefers the application of an across the board percentage increase for all bargaining unit members. The Employer strongly resists cost of living increases for each year of the contract period, pointing out that with the wage increases suggested by the Union, the additional cost of living increases would produce an effective annual wage increase for bargaining unit members of about 8% annually. The Employer, pointing to the 2.5% consumer price index increase, claims that such a wage increase,

in light of the economy and the financial status of the city, is too high.

The Employer claims that the financial condition of the city, which includes a sewer plant which lost \$80,000 last year and cash reserves that have dropped to almost zero over the past ten years, along with EPA mandated capital improvements costing about \$1,000,000, allows wage increases amounting to 6% over a three-year contract period, with a 2% wage increase effective January 1, 1996, January 1, 1997, and January 1, 1998.

The fifty cents (\$0.50) hourly wage increase proposed by the Union would comprise a 4.6% pay increase in the first year for a wage earner with an average hourly wage (base rate plus longevity) of \$10.59. A bargaining unit member earning \$8.31 would realize a 6% wage increase with a fifty cents (\$0.50) per hour increase while a bargaining unit member earning \$13.27 would realize an increase of 3.8% with a fifty cents (\$0.50) pr hour increase. Adding in a cost of living increase commensurate with any rise in the consumer price index would place the raises within the bargaining unit, in the event of a fifty cents (\$0.50) per hour across the board wage increase, at somewhere between 6.3% and 8.5% in the first year. Subsequent years would result in increaes in the 5.7% to 7.7% range.

The cost of living increases recommended by the Union are not recommended by the fact-finder. Such increases have no precedent in the parties' predecessor agreement and tend to complicate a discussion of wages. Money is money, and whether one receives money

through salary, or a cost of living increase, or by not having to pay for a benefit, it translates to earnings.

The fact-finder recommends that the bargaining unit receive a wage increase of 9% over the three years of the contract, with each wage increase to be 3%. This would mean a 3% wage increase effective January 1, 1996, a 3% wage increase on January 1, 1997, and a 3% wage increase on January 1, 1998. The fact-finder finds that such a wage increase is in proportion to the rise in the consumer price index, is in line with wages generally in that area of the state of Ohio, and appears to provide a compromise figure among those who wish to be paid more and those who wish to pay less.

Recommended Contract Language: Wages

Section 24.1

Effective January 1, 1996, January 1, 1997, and January 1, 1998, hourly rates of pay listed in Appendix 1 of this Agreement shall be increased by three percent (3%).

Section 24.2

In addition to their base rate of pay, bargaining unit members who are regularly assigned to work the second or third shift will receive a shift differential of twenty-five cents (\$0.25) per hour. Shift differential is included in overtime worked during the designated hours and shall be paid at time and one-half for those individuals assigned to those shifts.

Section 24.3

No change

Section 24.4

No change

7. Health Insurance

The Employer notes that providing health insurance to this bargaining unit is substantially more expensive than providing health insurance to other bargaining units working for the city of Belpre. For example, family health coverage for a UFCW bargaining unit member employed by the city of Belpre costs \$420.00 per month, while family coverage for a Local 3507 bargaining unit member costs \$756.00 per month, an increase of 44.4%. The smallness of the group covered, the groups' risk experience, and the relatively small out of pocket expenses required (\$100.00 deductible with \$400.00 out of pocket) requires health insurance premiums that are, in comparison to similar coverage available to other groups in the area, very expensive.

The Union agrees that the cost of health insurance is expensive but continues to recommend the AFSCME Care Plan for life insurance and vision care. The Union recommends that the status quo be retained and that in the event there should be health insurance premium increases the city should bear any increase.

The very high cost of providing health care coverage to the bargaining unit members is noted. At the fact-finding session the fact-finder was informed by representatives of the city that alternatives to the very costly health insurance now provided to these bargaining unit members were being investigated. While the Employer does not anticipate increases to the cost of providing health insurance to bargaining unit members, and, in fact, anticipates a reduction in these costs, the Employer nonetheless

wishes to secure a 50% contribution from bargaining unit members who avail themselves of health insurance through the bargaining unit, for any cost increases over present levels. The Employer continues to agree to pay 85% of the premiums necessary to provide this health coverage, with a contribution of 15% from the bargaining unit member.

The fact-finder recommends that in the event costs should increase over present levels in providing health insurance to the bargaining unit, any increase be equally apportioned to maintain this costly but essential benefit. The fact-finder doubts that the 50% to be paid for any increase over present levels will occur, but in the event that such increases should occur, the fact-finder finds this apportionment, under these circumstances, to be fair.

The fact-finder recommends that the Employer be granted the option of offering an HMO/HMP plan during the term of the agreement in recognition of the realities of how managed medical care is offered and received in this day and age. The ability of the city to contain health care costs is essential to its survival and the language of Section 25.2 is recommended with this necessity in mind.

Recommended Contract Language: Insurance

Article 25: Insurance

The City will provide a health care plan consisting of major medical, surgical, basic hospitalization benefits and prescription drug service for all employees who elect to enroll. The current amounts paid for monthly premiums by the City and the Employees (85% and 15%, respectively) shall serve as the base amount of contribution by each party. Any increase in the monthly premium

above the current total shall be shared equally by the parties. The Employer shall pay Twelve Dollars and Twenty-Five Cents (\$12.25) per month for each bargaining unit employee for the AFSCME Care Plan on life and vision care.

Section 25.2

The Employer reserves the right to offer an HMO/HMP plan during the term of this Agreement. Employees who elect not to take the HMO/HMP may be subject to increased deductibles in the alternative plan.

8. Clothing

Within the parties' predecessor agreement it was agreed that the Employer would furnish each employee in the water, sewer and street departments with one set of rain gear, rubber boots, and appropriate work gloves, and would also furnish a maximum of one pair of work boots per year. The maximum contribution for these work boots from the Employer was seventy-five dollars (\$75.00).

The Union proposes that the boot allowance be increased by twenty-five dollars (\$25.00) to a maximum of one hundred dollars (\$100.00) per year, that two pair of summer coveralls annually be provided, and every other year one pair of winter coveralls be provided. It was generally agreed that within the bargaining unit about thirteen people would have need for this type of work apparel in performing work on behalf of the city.

While not agreeing to the proposal by the Union on clothing, the city had no strong objection to it but did propose that language within this article specify that these articles of clothing be used at job sites.

The fact-finder recommends the additional clothing benefits proposed by the Union as well as language that this clothing is to be used at city projects.

Recommended Contract Language; Clothing

Article 26: Clothing

The Employer will furnish each employee in the Water, Sewer, and Street Departments with one set of rain gear, work gloves, rubber boots, two pairs of summer coveralls annually, one pair of work boots annually, and one pair of winter coveralls every other year. The type(s) of boots authorized for wear will be determined by the Employer. The Employer shall designate authorized vendors. The maximum Employer contribution for work boots shall be \$100.00 per pair. Work gear listed above shall be replaced by the Employer when it is sufficiently worn.

9. Duration

Both parties agreed that the parties' successor agreement should be for three years, from January 1, 1996 through December 31, 1998.

Recommended Contract Language: Duration

Section 30.1

Unless otherwise specified herein, the provisions of this Agreement shall become effective January 1, 1996 and shall remain in effect through 11:59 p.m., December 31, 1998.

Section 30.2

No change

Section 30.3

No change

10. Residency

There was presented to the fact-finder information concerning an ordinance passed by the City Council of the city of Belpre addressing the residency of city of Belpre employees. After a discussion with the representatives of the parties, it did not appear to the fact-finder that either party wished the residency issue addressed formally through language within the parties' successor collective bargaining agreement. There was mention of a side letter or other form of understanding, but not inside the four corners of the parties' new agreement. Under this view, the fact-finder respectfully declines to propose language on this issue for the parties' new collective bargaining agreement.

11. Inclusion of All Other Bargained Articles to Which the Parties Have Agreed.

Along with the language recommended above in this report, the fact-finder recommends that the other articles which the parties have successfully bargained to agreement during negotiations for their new contract be included in the parties' successor collective bargaining agreement.

In preparing, this fact-finding report the fact-finder has taken into consideration all reliable information relevant to the issues before the fact-finder as required by Ohio Administrative Code section 4117-9-05(J); has taken into consideration factors pursuant to Ohio Revised Code section 4117.14(C)(4)(e), as required

by Ohio Administrative Code section 4117-9-05(K); has considered the parties' past collectively bargained agreement as required by Ohio Administrative Code section 4117-9-05(K)(1); has compared the unresolved issues relative to the employees' bargaining unit with those issues related to other public and private employees who do comparable work, giving consideration to factors peculiar to the area and classifications involved, as required by Ohio Administrative Code section 4117-9-05(K)(2); has considered 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 standards of public service, as required by Ohio Administrative Code section 4117-9-05(K)(3); has considered the lawful authority of the public employer as required by Ohio Administrative Code section 4117-9-05(K)(4); has considered any stipulations of the parties as required by Ohio Administrative Code section 4117-9-05(K)(5); and has considered 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 as required by Ohio Administrative Code section 4117-9-05(K)(6).

RECOMMENDATION

It is recommended that the language recommended by the fact-finder in this report for inclusion in the collective bargaining

agreement between the parties be agreed by those who are empowered to vote upon the recommended language on behalf of the parties, and with all other language agreed by the parties, be included in the parties' new collective bargaining agreement.



Howard D. Silver
Fact-Finder

March 7, 1996
Columbus, Ohio