

STATE EMPLOYMENT  
RELATIONS BOARD

Nov 18 9 42 AM '96

IN THE MATTER OF FACT-FINDING PROCEEDINGS  
BETWEEN

CITY OF NORTH ROYALTON )

CASE NO. 95-MED-11-1052

AND )

FINDINGS  
AND  
RECOMMENDATIONS

INTERNATIONAL ASSOCIATION OF FIRE )  
FIGHTERS, AFL-CIO, LOCAL 2156 )

JAMES M. MANCINI, FACT-FINDER

APPEARANCES:

FOR THE UNION

James P. Astorino  
George R. Cisar  
Marc Buchanan  
Thomas Sargent

FOR THE CITY

James Budzik, Esq.  
Gary F. Barna, Mayor  
Christine J. May  
Sandra M. DeBalzo, Esq.

## S U B M I S S I O N

This matter concerns fact-finding proceedings between the City of North Royalton (hereinafter referred to as the City) and the International Association of Fire Fighters, AFL-CIO, Local 2156 (hereinafter referred to as the Union). The State Employment Relations Board (SERB) duly appointed the undersigned as fact-finder in this matter. The fact-finding proceedings were held on October 18, 1996 in North Royalton, Ohio.

These fact-finding proceedings were conducted pursuant to the Ohio Collective Bargaining Law as well as the rules and regulations of SERB. During the fact-finding proceeding, this fact-finder attempted mediation of the issues at impasse. The issues remaining for this fact-finder's consideration are more fully set forth in this report.

This fact-finder in rendering the following findings of fact and recommendations of issues at impasse has taken into consideration the criteria set forth in Ohio Revised Code Section 4117-14(G)(6)(7). Further, this fact-finder has taken into consideration are reliable evidence presented relevant to the outstanding issues before him.

## FINDINGS AND RECOMMENDATIONS

### 1. WAGES

The City proposes that fire fighters and fire lieutenants receive a 1996 wage increase, effective the first full pay period in January, 1996, in an amount between 3.25 percent to 4.25 percent whichever is deemed appropriate by the fact-finder. During the wage reopener negotiations, the City acknowledged that it made a final offer of 4.25 percent wage increases across the board for the bargaining unit.

The Union proposes an 11 percent increase to the rate of pay of a fire fighter. This would be effective the first full pay period in January, 1996.

The City contends that its wage proposal herein is consistent with wage increases accepted by all other bargaining units within the City. The police patrolmen's bargaining unit as well as the sergeant's unit, police correction officer's bargaining unit, and the AFSCME unit have all agreed to a 4.25 percent wage increase for the 1996 wage reopener. The police dispatchers rejected the City's offer and proceeded to fact-finding. However, the fact-finder recommended the 4.25 percent increase consistent with all other wage increases for bargaining unit and non-unit employees in the City. The Employer submits

that the Union's proposed 11 percent wage increase for 1996 is excessive and completely unwarranted.

The City maintained that it has financial constraints which limit its ability to pay for any increase in wages beyond which it has proposed. Ms. Christine May, Finance Director for the City, testified that over the past several years revenues have remained stagnant while expenditures have greatly increased. According to Ms. May, the General Fund balance has dropped to its lowest level since 1992. As of the end of September, 1996, the General Fund unencumbered balance was \$446,000. The fire fighters are paid from the General Fund as well as from a fire levy fund. Ms. May stated that there would be no increase in fire levy fund revenue in 1996 over that which the City received in 1995. Ms. May stated that the decline in the General Fund balance was due to several factors. The City experienced a significant revenue loss in the General Fund when operating levies were not renewed in 1992 and 1993. Moreover, a court ruling concerning the tax evaluation which was to be applied to MCI, a large corporate entity within the city, has further resulted in a \$260,000 loss of revenue to the City. The finance director noted that while revenues have dropped off over recent years, expenditures for the fire department in particular have

gone up due to an increase in the size of the fire department. Over recent years, the City has added new employees, and incurred additional expenditures for equipment and fire trucks.

Mayor Gary Barna testified that the City in the past has always treated all employees the same with respect to wage increases. In 1994 and 1995, all city employees received 4 percent wage increases each year. In 1993, the fire fighter's unit like all other city employees agreed to take a wage freeze so as to avoid layoffs. The Mayor stated that for 1996, all employees have received a 4.25 percent wage increase. The Mayor stated that because of lean budget for 1996, the wage pattern of 4.25 percent should also be given to the fire fighters.

The City cited wage comparables for 1996. That evidence showed that the top wage for North Royalton fire fighters with the 4.25 percent would become \$39,222. In the wage comparison submitted, this would place the North Royalton fire fighter's top wage slightly above the average for the area.

The Union argues that a wage increase greater than that proposed by the City is justified in the instant case. First, there is the effect of the 1993 wage freeze which has resulted in fire fighters' wages here falling behind those in neighboring jurisdictions. In 1992 prior to the wage freeze,

North Royalton fire fighters' wages were above average for the area. However since 1993, the North Royalton fire fighters' wages have fallen below average for fire fighters in comparable jurisdictions. Even with the 4.25 percent increase recommended by the City, fire fighters' wages would remain below average for 1996.

The Union further contends that bargaining unit employees' wages are being short changed in favor of equipment for the department by the City. That is, it is the Union's position that the City is financing the purchase of equipment such as fire trucks out of the payroll of the fire department. In 1993 for example, over 85 percent of the department's total expenditures were for personal services which included wages, benefits, and uniform allowance. However by 1995, that percentage had dropped to little over 80 percent expended for personal services. The Union seeks to reverse the trend of the City to spend more on equipment than fire fighters' wages.

The Union cites wage increases granted to fire fighters in neighboring jurisdictions. It points out that several cities granted 4.5 percent increases to its fire fighters. Moreover even those jurisdictions which granted only 4 percent increases to its fire fighters, the total wage increase exceeds that in

North Royalton because here there is a lower base wage again due to the freeze in 1993.

ANALYSIS - This fact-finder has determined from the evidence presented that there should be a 4.25 percent increase for fire fighters retroactive to January 1, 1996. Such a wage increase would be consistent with that which has been granted to other bargaining unit as well as non-bargaining unit employees in the City. Given the City's financial constraints, the 4.25 percent increase for fire fighters is reasonable. Moreover with the recommended wage increase, the North Royalton fire fighters would retain their relative ranking among fire fighters' salaries in the area.

This fact-finder finds from the evidence presented that it would be appropriate to follow the wage pattern established for 1996 for the various bargaining unit and non-bargaining unit employees in the City. The police patrolmen and sergeant's bargaining units, police correction officers unit, as well as the AFSCME city wide bargaining unit have all agreed to a 4.25 percent wage increase for the 1996 wage reopener. For the police dispatchers, a fact-finder has recommended a 4.25 percent increase in wages. There was no reason established to alter the pattern settlement with respect to a wage increase for

1996 for the fire fighter's unit. As such, it is appropriate to likewise provide a 4.25 percent wage increase on the wage reopener for 1996 for the fire fighter's unit.

There was considerable evidence presented which showed that the City is facing serious financial constraints. Over the past several years, the City has experienced a loss of General Fund revenue. This included a loss of approximately \$260,000 in revenue per year as a result of the MCI tax reevaluation. Due to the decline in revenue as well as increases in expenditures, the City's General Fund balance has declined considerably in recent years. The evidence indicated that the unencumbered General Fund balance in September, 1996 was \$446,194 which was approximately \$416,000 below the same month in 1995. It should be noted that there will be no increase in fire levy fund revenue from 1995 to 1996. While there was a balance in the fire levy fund at the beginning of the year, it certainly was reasonable for the City to use the fund for purchasing the necessary equipment including fire trucks in order to meet the operational needs of the department. In any case, the evidence clearly shows that the City is facing serious fiscal restraints due in large measure to the recent loss of general revenue resources.

The evidence indicated that the additional cost to the City for the 4.25 percent increase in wages for fire fighters will be approximately \$52,964. The Union's proposed 11 percent wage increase would cost the City an additional \$137,085. It is apparent from the analysis of the financial data submitted that the City does not have the ability to fund the additional \$84,000 needed to cover the cost of the Union's wage proposal.

Considering the budgetary constraints facing the City as well as the fact that historically the fire fighter's bargaining unit has been treated the same as other bargaining units in the City for wage purposes, this fact-finder must once again conclude that the fire fighters should receive a 4.25 percent wage increase for 1996.

Moreover, the evidence shows that the North Royalton fire fighters' wages fall about in the middle of the pay ranges for similiarly situated employees in neighboring communities. With the recommended 4.25 percent wage increase herein, the North Royalton fire fighters' top step salary would be \$39,222. The 1996 wage comparables submitted by the City included wages for fire fighters employed in Berea, Brook Park, Brunswick, Independence, Middleburg Heights, Parma, Parma Heights and Strongsville. These are all neighboring jurisdictions. The

average fire fighter's wage at the top step in these jurisdictions is \$39,178 for 1996. Thus it is apparent with the 4.25 percent increase recommended herein, the North Royalton's top step salary would be slightly above the average top salary for fire fighters in the area. As such, the bargaining unit would be able to maintain its relative wage ranking in the immediate geographic area.

#### RECOMMENDATION

It is the recommendation of this fact-finder that the following Wage Provision be provided for in the parties' bargaining agreement:

#### SALARY SCHEDULE

Effective the first full pay period in January 1996, all fire fighters and lieutenants shall receive a 4.25 percent wage increase.

ANALYSIS - This fact-finder has determined from the evidence presented that the current rank differential of 12 percent for lieutenants should be retained. The evidence showed that historically fire lieutenants' rank differential has been 1 percent lower than that of police sergeants. At least since 1993, the rank differentials have been increased in a like amount for both police sergeants as well as the lieutenants here. In 1995, each received a 1 percent increase in rank differential. However for 1996, the police sergeants did not receive any increase in rank differential. Considering past history, it would be appropriate to treat the fire lieutenants in the same manner by not granting any additional increase in rank differential.

Moreover considering the financial constraints placed on the City's budget due to the recent loss of General Fund revenue, there would be no justification for now increasing the rank differential for fire lieutenants. As indicated previously, fire lieutenants as well as other bargaining unit members will be receiving a 4.25 percent wage increase retroactive to January, 1996. Considering the budgetary constraints, any further increase for the fire lieutenants beyond 4.25 percent would not appear to be warranted at this time. There simply was

insufficient basis established for increasing the rank differential for fire lieutenants for the current year.

RECOMMENDATION

It is the recommendation of this fact-finder that there be no increase in the rank differential for lieutenants.

### 3. EMT-PAY

The Union proposes to increase the EMT-pay which employees currently receive. Under the Union's proposal, EMT-basic pay would increase from the current \$300 to \$600. Although the EMT-intermediate and EMT-paramedic pay would remain the same, the Union proposes that employees be entitled to receive the stipend for each of their levels of classification set forth in the agreement. Currently, employees receive only the stipend for their highest certification. The City proposes to retain the current EMT-pay provision with no increases. The parties agreed that this provision could be reopened in the wage reopener for the 1996 allowances.

The Union contends that the current paramedic pay is much too low. It cites comparable paramedic pay in neighboring jurisdictions. The comparable evidence shows that for 1996, North Royalton's paramedic pay is approximately \$988 below the average in the area.

In further support of its contention that paramedic pay should be increased, the Union cites the increase in the number of calls handled by EMS. The fire department responded to 1,797 incidents in 1995 which was the highest total number of calls in the thirty year history of the department. The number

of people treated and transported to area hospitals was 1,189. Due to the significant increase in EMS emergency calls, the City should increase paramedic pay accordingly.

The City argues that it cannot afford the additional cost of the increase in paramedic pay proposed by the Union. It was estimated that the paramedic pay proposal would cost the City approximately \$20,000 plus roll-up costs. The City points out that there will be no increase in the EMS levy fund revenue for the current year. Thus any additional costs for an increase in paramedic pay would have to come out of the General Fund which is facing serious financial constraints.

ANALYSIS - This fact-finder has determined from the evidence presented that there should be no change in the EMT-Pay Provision. First, this fact-finder finds that the Union's request for a significant increase in the EMT-pay which would nearly double the amount of stipend provided to the employees is unwarranted. The evidence indicates that due to the City's financial constraints, the additional \$20,000 cost of the Union's proposal would be excessive. This is especially so considering that EMS levy revenue will not increase in the current year. As a result, any additional increase in cost for paramedic pay would have to be funded out of the General Revenue

Fund. As indicated, the balance in the General Revenue Fund has decreased dramatically over the past several years.

This fact-finder recognizes the Union's evidence which does show that paramedic pay in North Royalton falls well below the average for EMT-pay in the area. However, it should be pointed out that there are several cities which have paramedic pay below that provided for in North Royalton. For example, Parma provides for \$450 plus one dollar per hour if assigned to work on ambulance duty. Neighboring Brunswick has no paramedic pay. Moreover when one considers the combined base wage and paramedic pay provided in the area, it is apparent that North Royalton fire fighters' combined pay exceeds that of several other neighboring jurisdictions. With the 4.25 percent wage increase to be provided herein, the North Royalton fire fighters would receive a combined 1996 base wage and paramedic pay of \$40,122. Although this would be below the average for such combined pay in the area, it would exceed the pay of \$39,945 in Garfield Heights and \$39,613 in Parma Heights. Again considering the financial constraints facing the City due to a decline in revenue, the evidence presented simply fails to support the Union's proposal which would impose an additional cost upon the City for the current year. However because there has been an

obvious increase in the number of EMS calls responded to by the fire department during the past year, it is recommended that the parties revisit this particular issue in their upcoming contract negotiations which should begin within the next few months.

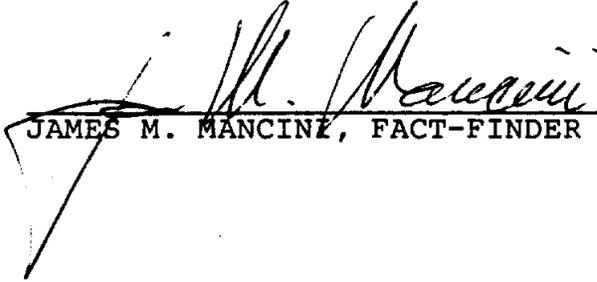
RECOMMENDATION

It is the recommendation of this fact-finder that there be no increase in the EMT-pay as proposed by the Union.

C O N C L U S I O N

In conclusion, this fact-finder hereby submits the above referred to recommendations on the outstanding issues presented to him for his consideration.

November 14, 1996

  
JAMES M. MANCINI, FACT-FINDER