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**FACTFINDING TRIBUNAL
STATE EMPLOYMENT RELATIONS BOARD
COLUMBUS, OHIO**

STATE EMPLOYMENT
RELATIONS BOARD
JUN 30 3 40 PM '97

IN THE MATTER OF FACTFINDING :

BETWEEN	:	
THE CITY OF CINCINNATI, OHIO	:	
- AND -	:	<u>REPORT OF THE FACTFINDER</u>
THE CINCINNATI FIREFIGHTERS UNION, IAFF, LOCAL 48	:	
BOTH OF CINCINNATI, OH	:	

SERB CASE NO.: 97-MED-04-0416

HEARING: June 11, 1997; Cincinnati, Ohio.

FACTFINDER: David W. Stanton, Esq.

APPEARANCES:

FOR THE EMPLOYER

Donald Crane, Attorney,
Chief Spokesperson
Frank Hotze, Labor Relations
Manager
Kent Ryan, Director of Safety
Thomas Steidel, Fire Chief
Betty Baker, Director of Personnel
John Hanselman, City Labor Counsel
Rodney Prince, Assistant Safety
Director
Michael Keck, Personnel Analyst
Lee Gill, Administrative Assistant,
Division of Fire
Roshani Hardin, Law Department
Bill Moller, Director of Budget
& Valuation

FOR THE UNION

Mark A. Sanders, President and
Chief Negotiator
Thomas C. Donovan, Vice President
Thomas Marzheuser, Treasurer
William M. Donovan, Recording
Secretary
Ken Couch, IAFF-OAPFF Collective
Bargaining Coordinator
Joseph R. Gunnewick,
Negotiations Team Member
John M. Zompero, Negotiations
Team Member
Hugh V. Hains, Negotiations
Team Member

ADMINISTRATION

By letter dated May 15, 1997, from the State Employment Relations Board, the Undersigned was notified of his mutual selection to serve as Factfinder to hear arguments and issue recommendations relative thereto pursuant to Ohio Administrative Code Rule 4117-9-05(J) in an effort to facilitate resolution of this issue that remained at impasse between these Parties. The impasse concerns a one (1) year wage reopener for the period of 12:01 a.m. June 15, 1997, to Midnight June 13, 1998. The Parties have agreed to retroactivity in the ground rules regarding this unresolved issue. The remainder of the Contract, signed in 1995, is effective until Midnight, June 13, 1998. The impasse resulted after attempts, including mediation, to negotiate a base wage, pursuant to the one (1) year reopener as set forth in the current Collective Bargaining Agreement by and between the Parties, proved unsuccessful. As indicated, previous negotiation sessions were conducted (on May 12; 14; and, 20, 1997) wherein the one (1) year wage reopener that remained at issue was discussed and proposals were exchanged relative thereto. However, the Parties were unsuccessful in resolving this issue. Voluminous Pre-hearing positions statements were received and carefully analyzed prior to the Factfinding proceeding.

On June 11, 1997, the Factfinding proceeding was conducted wherein Mediation was offered, prior to the Factfinding proceeding and preliminarily via conference calls with the Parties. However, that request was declined. The Factfinding

proceeding commenced at approximately 9:00 a.m. and lasted until approximately 3:00 p.m. that afternoon. During the course thereof, each Party was afforded a fair and adequate opportunity to present testimonial and/or documentary evidence supportive of positions advanced. Inasmuch as the Parties indicated a willingness to recognize the fourteen (14) day statutory period within which this report shall be issued, no indication to submit any Post-hearing Statement relative to the evidentiary arguments advanced at the Factfinding proceeding was presented. The Record of this proceeding was subsequently closed at the conclusion of the Factfinding proceeding. The one (1) year wage reopener that remains at impasse is the subject matter for the issue of this Report hereunder.

STATUTORY CRITERIA

The following findings and recommendation are offered for consideration by these Parties and was arrived at based upon their mutual interest and concerns; and, are made in accordance with the statutorily mandated guidelines set forth in Ohio Administrative Code Rule 4117-9, which states as follows:

1. Past collectively bargained agreements, if any, between the Parties;
2. Comparison of unresolved issues relative to the Employees' in the Bargaining Unit with those issues related to other public and private employees doing comparable work, giving consideration to factors peculiar to the area and classification involved;
3. The interest and welfare of the public and the ability of the Public Employer to finance and

administer the issues proposed and the affect of the adjustments on the normal standard of public service;

4. The lawful authority of the Public Employer;
5. Any stipulations of the Parties; and,
6. Such other factors not confined in those listed above which are normally or traditionally taken into consideration in the determination of issues submitted to mutually agreed upon dispute settlement procedures in public service or in private employment.

I. THE BARGAINING UNIT DEFINED ITS DUTIES AND RESPONSIBILITIES TO THE COMMUNITY AND GENERAL BACKGROUND CONSIDERATIONS.

The City of Cincinnati, hereinafter referred to as the "Employer," and the Cincinnati Firefighter's Union, IAFF, Local 48, hereinafter referred to as the "Union," are Parties to a Collective Bargaining Agreement with the effective date of June 18, 1995, and an expiration date of June 13, 1998. Appendix A thereof, titled "Wages," states the terms of the reopener which is at impasse herein as follows:

All employees of the Cincinnati Fire Division covered by this Agreement shall receive a basic wage increase of 2.5% effective from 12:01 a.m., June 18, 1995, to Midnight, June 15, 1996, and a 2.5% basic wage increase effective from 12:01 a.m., June 16, 1996, to Midnight, June 14, 1997, applied to all ranks and classifications within the Cincinnati Fire Division. For the period of 12:01 a.m., June 15, 1997, to Midnight, June 13, 1998, the basic wage increase will be subject to a reopener. Notice to reopen must be served not less than sixty (60) days prior to June 14, 1997.

* * *

Any procedural aspects relative thereto have not been raised, and therefore shall not be addressed accordingly.

Prior to the June 11, 1997, Factfinding proceeding, each Party submitted a voluminous Pre-hearing Statement and accompanying documentation in accordance with the statutory procedure identified supra. The Bargaining Unit as defined are all sworn Employees, below the rank of Assistant Chief, up to and including members of the rank of Marshall/District Chief. They work "on" 24 hours and "off" 48 hours work schedules. The Bargaining Unit consists of approximately seven hundred-eighty (780) members of the Cincinnati Fire Division, contained within the Department of Public Safety. It's newly appointed Director, Kent Ryan, is charged with the responsibility of operating the Cincinnati Police, Fire and Telecommunications Divisions. The Safety Department works in partnership with the City's citizens to improve the quality of life by providing effective and efficient police, fire and emergency medical services as well as cable communications regulations while working with other agencies of the City to provide voice, video, data and emergency communications. The Public Employer is a Municipal Corporation operating under a City Charter per the Home Rule Provisions of the Ohio Constitution, Article XVIII, Section 7. The 1997 and 1998 proposed budgets include increases in fire personnel

totaling approximately 92 recruits. Moreover, projected purchases and renovations for 1997/1998 are earmarked to receive over 6 million in capital, repair equipment and vehicle/apparatus expenditures planned over the biennium. A video shown prior to the Factfinding Hearing depicted the obvious need to address structural repairs throughout many City facilities, including many fire houses.

The City's "basic" services are funded by the General Fund which is projected at \$270.4 million in 1997 and \$277.8 million in 1998, and its revenue base consists primarily of income and property taxes.

The Fire Division's duties include, among other responsibilities, fire suppression, emergency medical services and personnel training, fire safety programs, physical and budget management administration, records and property maintenance, inspections and arson and internal investigations. Of the approximately seven hundred eighty-five (785) Members of the Cincinnati Fire Division, seven hundred-eighty (780) are in the Bargaining Unit. Five (5) Employees, including Chief Thomas Steidel and four (4) Assistant Chiefs, are excluded from the Bargaining Unit. The operating budget for the Fire Division is recommended to receive \$44, 140, 650 or 20.7% of the General Fund expenses (an increase of 2.2% over 1996)." All budgeted-for costs assume a 2.5% wage increase for 1997 and 1998 for all City Employees.

As indicated by the Parties', negotiations between them

began in early May, 1997. The Parties met on two (2) occasions and sought the assistance of SERB Mediator, Mike Monfils. During the course of that Mediation, the City's "best offer" was 1.8% and the Union's was 5.7%. At the conclusion of the negotiations for purposes of this Factfinding, the City maintains a wage proposal of 2% for the wage reopener at issue herein, whereas the Union's wage proposal is 5.25% for that period. Employer Exhibit - 6 represents the comparison of wage increases for all City groups compared to the Cincinnati CPI-W Index. The FOP received an increase of 3.0% for 1998 that, according to the City, was predicated upon cost concessions including a lower beginning rate for Police Officers by approximately two thousand dollars (\$2,000). Moreover, the Police pay 10% of the premium for health insurance, whereas the Fire Division enjoys a fully paid health insurance benefit.

The Record further demonstrates that the City basically provided similarly consistent wage increases to other Employees, including City Middle Managers who received 2.5% for periods up to fifteen (15) rather than twelve (12) months, or annualized at about 2.1%. Senior Managers, Division Heads, Department Heads, and professional Law Department Employees were compensated in a similar manner. The Greater Cincinnati Building Trades Council received an annual increase of \$.50 per hour which, as the City relates, equates to approximately slightly more than 2% per year for a three (3) year agreement. AFSCME-represented Employees, the City's largest bargaining group of nearly three thousand

Employees (3,000) settled a three (3) year agreement for \$.35 per hour in 1997, which equates to approximately 2.25%. Based on the comparables cited, area Fire Departments realized wage increases for 1997 at approximately 3%.

As previously stated, at the conclusion of the negotiations that preceded the Factfinding Hearing, the Parties remained at the following proposed wage increases for the period of the reopener as follows: The City proposal - 2.0%; the Union proposal - 5.25%.

POSITIONS OF THE PARTIES

UNION POSITION

The Cincinnati Firefighters Union proposes a 5.25% base wage increase for all represented ranks in the Bargaining Unit for the period of 12:01 a.m., June 15, 1997, to Midnight June 13, 1998. In support of this position, the Union cites several factors which it believes justifies such an increase. Those factors and attendant arguments are substantiated by three (3) bound volumes of supporting documentation referenced throughout this Report. Initially, the Union insists that the City's budgetary figures, provided to them, demonstrate a carry-over balance of approximately twenty-four million dollars (\$24,000,000.00) for the period of 1996 into the 1997 budget year with projected budget carry-over from 1997 to 1998 of approximately twenty-nine million dollars (\$29,000,000) as of February 20, 1997. In this regard, no "inability to pay" argument is apparent herein.

The Union contends that indeed the wage proposal it has submitted is justifiable based on other compelling factors including productivity of Bargaining Unit Members, efficient and effective services provided by Bargaining Unit Members, cost saving initiatives participated in by Bargaining Unit Members, work load, and positive public relations generated by Bargaining Unit Members.

The Union cites as its comparable cities: Akron; Cleveland; Dayton; Toledo; and, Columbus (See, Union Exhibits 9 and 11, respectively attached hereto).

EMPLOYER POSITION

Simply stated, the Employer takes the position that it's wage increase of 2% is indeed in line with those received by other City Employees. It's main point of emphasis involves that of "pattern bargaining" wherein it insists that such should not vary, even so slightly, to the detriment of other Employees who are just as valuable to the City as are the Employees within the Fire Division. It maintains that any increase above the budgeted 2.5% would cause a deficit to occur at least one (1) year sooner than that projected to occur in the year 2002. In this regard, it deems such a controlling factor clearly and unequivocally favoring the wage increase not to exceed that received by the other City Employees.

The City cites as its comparables the cities of: Akron; Cleveland; Dayton; Toledo; Columbus; Middletown; and Hamilton,

all in Ohio; and, Louisville, Kentucky and Indianapolis, Indiana
(See, City Exhibit - 8, attached hereto.)

RECOMMENDATION AND RATIONALE

Based upon the evidentiary Record and the positions advanced by each Party, it is hereby recommended that the Parties adopt a wage increase to base wages for the Cincinnati Firefighters of 2.75% for the one (1) year wage reopener for the period of June 15, 1997 through June 13, 1998. Indeed, the Record supports, and the City acknowledges, that this unit is one of superior quality, providing the utmost productivity and efficiency as set forth in it's Exhibits 3, 4, 5, 6, and 7, respectively. Indeed, consideration based on this aspect of the services provided by this Bargaining Unit can only have a positive impact on the Public's perception of the type of service it receives by the Fire Division, and ultimately, the City. Such is borne out by reading the numerous articles set forth in the accompanying documentation relative to the type of services that the "Consumers" of this community receive with respect to the fire and emergency medical services, etc. provided by this Unit.

With respect to addressing comparable wage considerations, both internally and externally, typically there are no "on-point" comparisons relative thereto. "Similarities," however must be taken into consideration by the Factfinder under the statutory criteria. As the Record demonstrates, internal comparables that are evident in the evidentiary record, demonstrate that

management employees, which number approximately twelve hundred (1,200) received for approximately a fifteen (15) month period, a 2.5% increase and that was predicated on merit considerations of scoring 80% in order to receive that increase. AFSCME, which represents approximately three thousand (3,000) employees received approximately 2.5% for each year of a three (3) year Contract. What is commonly asserted concerns the Fire Division's comparison to that of the Police Division; i.e., the two "service oriented" units. It has been argued that in many respects the jobs are similar in nature; i.e., they both provide a valuable safety service for the communities they serve. What is distinguishable is the type of work involved. When a Police Officer arrives at a scene he is, or can be, involved with a life threatening situation that may require further follow-up, or attendance in court during the various stages of the criminal process. So, comparison to a Police Officer with regard to the type of work does not represent an "on-point" comparable. The fire suppression, emergency medical and other types of duties that these individuals have performed with regard to hydrant inspections, buildings inspections, fire code assessments, etc., are obviously different, but can be, and often are, life threatening activities. Clearly such high stress, dangerous positions are generally viewed as warranting higher wages. This does not suggest they are more valuable to the City - that has clearly been emphasized, however the nature of the work warrants consideration and typically other ancillary type units/employees

indirectly benefit from what these employees receive; i.e., "pattern bargaining."

The Record further demonstrates that an increasing number of Firemen are obtaining Paramedic Certification - a 1,500 hour commitment and economic consideration of \$1,200 - \$3,800 depending on rank.

It is difficult for the Factfinder in any scenario to assess comparable notions relative to fire suppression emergency medical activities which are becoming more and more numerous and those associated with Police protection. Nonetheless, they are always raised with regard to "they got this," therefore, "we want what they got" - again, "pattern bargaining." It is compelling to note that the Police Department did receive a 3% increase that is effective December, 1997. The Fireman's one year wage reopener is effective for a period of June 15, 1997, through June 13, 1998. From this regard, there is an overlapping effect of approximately six (6) months that must be addressed with regard to the recommended wage increase contained in this Report.

Indeed, pattern bargaining is a significant consideration and the Undersigned recognizes the impact of following and deviating from such a practice. Indeed, all City Employees are invaluable. This City makes no qualms about stating that and did so on numerous occasions during the course of the Factfinding proceeding. Similarly, most City Employees received at or about 2.5% for 1997 - a factor relative to pattern bargaining. Additionally, the Police received 3% - another factor relative to

pattern bargaining. In this regard, it must maintain some posture of valuing Employees - including the Firemen - when it pertains to their worth to the City based on the single most identifiable component of demonstrating such value; i.e., that of a base wage increase.

The Fire Department is coming off two (2) years where they received 2.5% and they have received 100% coverage on health insurance premiums during that timeframe and will continue to do so for the upcoming year. They have also provided the City with significant savings in health insurance via the PPO Plan implemented in 1995. They also receive a five hundred sixty dollar (\$560) yearly Service Requirement Allowance and retirement contributions of 24%, that in comparison to the Police is 19% and approximately one half receive the yearly Service Requirement Allowance.

It is oftentimes viewed that Firemen, with regard to economic potential are perceived to be in an ideal position when considering their twenty-four on/forty-eight off schedules. However, it should not be required that a member of the Fire Department engage in second employment in order to realize an increase in earning capability. Obviously, given this strenuous; very difficult; and, oftentimes life threatening duties associated with fire suppression work, it is indeed noteworthy to recognize the quality of service such a department provides. Much of the supporting documentation depicts this Unit as on the "cutting edge" with regard to cooperative labor/management

relations. Implementation of the PPO as a cost savings to the City was rewarded by the Fire Division having its health insurance fully funded by the City. Such is viewed by the Factfinder as a Quid-Pro-Quo exchange, each recognizing the benefit potential and should not be viewed as an increase per se, in the wage proposal.

Each Party indicates that a 1% across-the-board wage increase in the Bargaining Unit equates to approximately four hundred fifty-five thousand seven hundred eighty-two dollars (\$455,782.00). In this regard, a 2.75% increase equates to approximately one million, two fifty-three thousand, four hundred dollars (\$1,253,400), if accepted. This recommendation is made based on the fact that indeed pattern bargaining is a significant component when analyzing and making such recommendations, but obviously it is not the only component that should be addressed - this takes into consideration the 2.5% increase received by the Fire Department for the previous two (2) years and the similar wages of other City Employees that were received during this time frame and, most significantly, the 3% increase received by the FOP that does not become effective until December of 1997. As previously stated, there is an approximate six (6) month period of time of "overlapping." In this regard, 1/4 of 1% above the 2.5% as recognized through the course of pattern bargaining, i.e., internal comparables, is considered. For approximately six (6) months, the Fire Division's base wage increase is .25% higher than most other City Employees. However, in December, it will lag .25% behind the 3% wage increase received by the Police. A

parity differential of approximately 2.7% has existed for approximately twelve (12) years and cannot be "made-up" overnight. The Collective Bargaining process is incremental in nature and "sizeable" advances are simply not financially and/or fiscally sound or warranted here. The Record demonstrates that only the FOP will receive an increase of 3% for 1998, but such was predicated upon cost concessions, including a lower beginning rate for Police Officers by approximately two thousand dollars (\$2,000.00); it pays 10% of its total premium of it's health insurance benefit; all Employees do not receive the \$560 yearly Service Requirement Allowance; and Members receive 19% retirement contributions.

Based on external wage comparables provided by each Party, the minimum Firefighter starting pay is \$35,534.00; the maximum is \$39,563.00. In comparison to the cities of Cleveland, Akron, Toledo, Dayton, Columbus, Middletown, Hamilton, Louisville and Indianapolis, only Indianapolis has a minimum starting salary higher than Cincinnati. (See, City Exhibit - 8.) The City of Toledo's pay scale contains fifteen (15) steps and is the top paying for Firefighters, but includes longevity. These factors, in and of themselves, do not address the overall wage package or economical considerations concerning other money items. Cincinnati currently ranks second or third behind Dayton, Toledo and arguably Columbus, regarding maximum Firefighter wage. The average 1997 percentage increase for those jurisdictions set forth in City Exhibit - 8 was 3.22%. Only Columbus' wage

increase begins in June like Cincinnati's, however, Cincinnati's starting wage is approximately \$10,000 higher than that of Columbus. Given this mid-year effective date, the true impact of a wage increase could be improved upon in subsequent negotiations. This wage increase allows this Unit to remain at or near the top within the State and provides upward movement for future base wage considerations.

What is also noteworthy is the current state of affairs with regard to the structures as demonstrated in the videotape presented by the City. Obviously, everyone benefits from capital improvements with respect to improving upon the quality of the Employee's surroundings as well as the building structures that are in much need of repair. The City's carry-over balance at the end of the 1997 fiscal year of approximately \$26,000,000 is approximately 10% of its overall \$270,000,000 budget and is indeed recognized by most economists as necessary for operating expenditures to be deemed in "good fiscal health." As a resident of this community, I feel secure knowing that the City maintains a Fire Protection Division that employs conscientious and eager Employees who provide a very stressful, dangerous, however, invaluable service to this community. The City of Cincinnati enjoys a respectable carry-over balance which usually results from hard work, dedication and cost saving considerations; i.e., "good management." It is indeed the preferred position of the Factfinder to be in a matter such as this involving a question of how much the firefighters are to receive in base wages as opposed

to what areas should be recommended for concessionary considerations. Based on the comparables presented, both internal and external, as well as the numerous other factors analyzed herein above, a 2.75% wage increase is indeed fair based on similar wage increases recognized by other City Employees; i.e., in the neighborhood of approximately 2.5%. This takes into consideration the 3% increase recognized by the FOP that does not begin until December, 1997, some six (6) months subsequent to the effective date of this proposal that carries over into an additional six (6) months into the 1998 calendar year. For these reasons, it is hereby recommended that the Parties adopt the aforementioned proposal for the one (1) year wage reopener effective June 15, 1997, running through June 13, 1998.

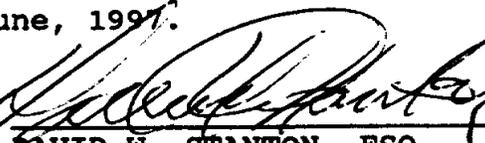


DAVID W. STANTON, ESQ.
Arbitrator

June 24, 1997
Cincinnati, Ohio

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Factfinding Report has been made available to each Party for personal pickup at the Factfinder's business offices at 4820 Glenway Avenue, Cincinnati, Ohio 45238, on this 24th day of June, 1997.



DAVID W. STANTON, ESQ.
Arbitrator

1997 Firefighter Wage Survey

<u>CITY</u>	<u>FF MIN</u>	<u>MAX</u>	<u>Effective Date</u>	<u>% Increase 97</u>	<u>% Increase 98</u>
Cincinnati	35,534 (36,244)*	39,563 (40,353)*	6/14/96 (6/14/97)		
Cleveland	34,287	39,510	4/1/97	3.0	
Akron	32,989	38,480	12/29/96	3.25	3.25
Dayton	29,759	39,737	11/1/96	3.25	3.25
Toledo	29,209	43,894 for 15 steps, also includes longevity	1/1/97	3.0	
Columbus	24,960	38,189**	6/1/97	4.0	4.0
Middletown	25,000	38,991	1/1/97	3.0	3.0
Hamilton	29,864	38,565	5/1/97	3.0	3.0
Louisville	24,273	27,869	7/1/97	3.0	
Indianapolis	37,351	37,351	1/1/97	\$1,200 (3.2 FF, 3.0 Eng., 2.8 Lt)	
AVERAGE	30,323	38,215		3.22%	3.5%

*Parenthetical includes 2% as of 6/14/97

**Pension pickup not included

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UNION EXHIBIT #9

TOP STEP FIRE FIGHTER WAGES 1993 to 1997 VS. COMPARABLE CITIES



UNION EXHIBIT #11

TOP STEP FIRE FIGHTER WAGES 1993 TO 1997 VS. COMPARABLE CITIES

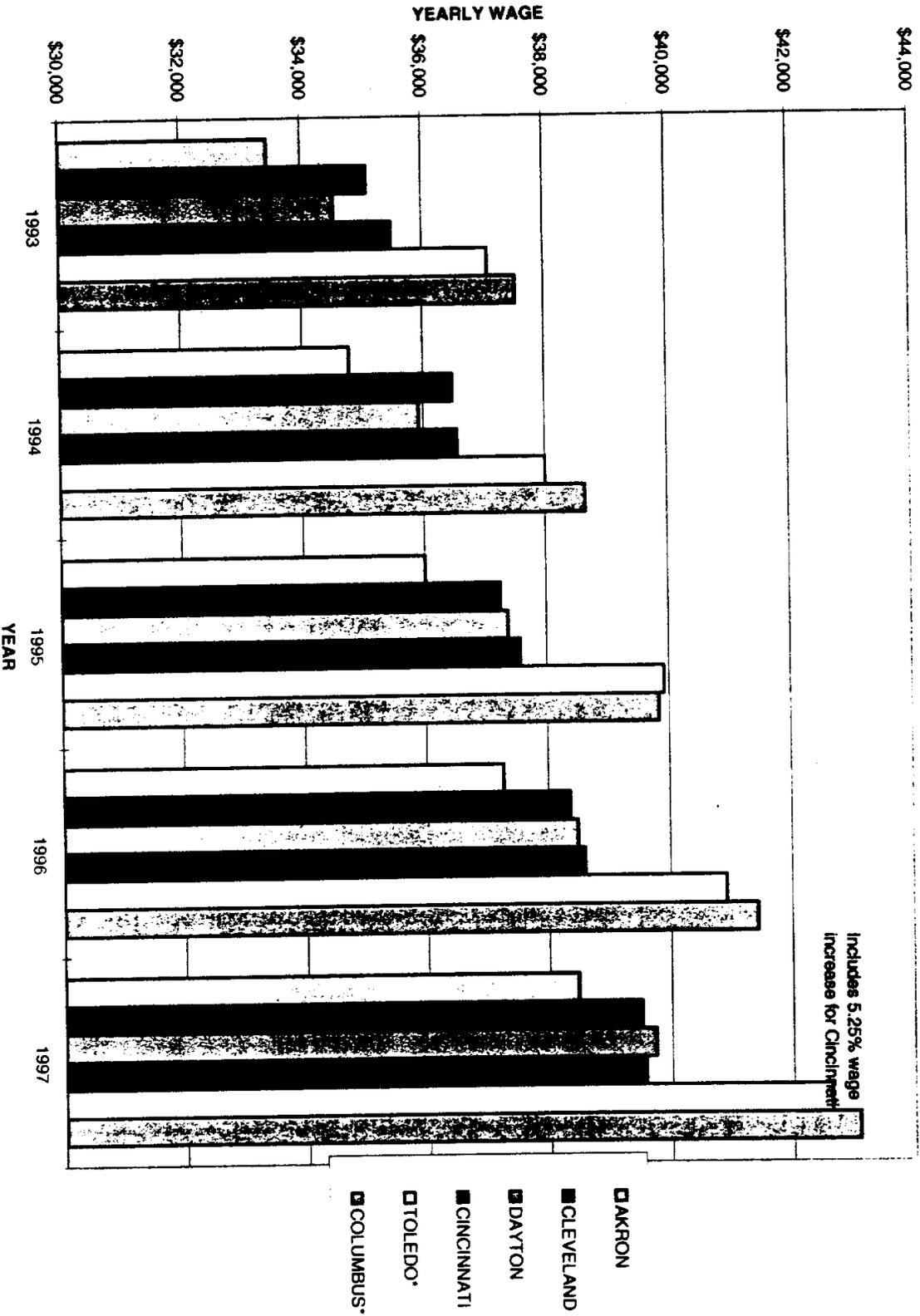


Exhibit #11 shows Cincinnati Fire Fighters base wage comparison after a five and one-quarter percent increase in top step Fire Fighter rank. Even with this increase, Cincinnati Fire Fighters base wage would still remain behind similar cities.

TOP STEP FIRE FIGHTER BASE WAGES FROM 1993 TO 1997						
chart reflects a 5.25% for Cincinnati						
	AKRON	CLEVELAND	DAYTON	CINCINNATI	TOLEDO*	COLUMBUS*
1993	\$33,443	\$35,097	\$34,546	\$35,496	\$37,071	\$37,531
1994	\$34,781	\$36,481	\$35,928	\$36,560	\$37,997	\$38,659
1995	\$36,005	\$37,242	\$37,365	\$37,569	\$39,919	\$39,833
1996	\$37,265	\$38,359	\$38,486	\$38,599	\$40,917	\$41,426
1997	\$38,476	\$39,510	\$39,737	\$41,640	\$42,621	\$43,083
*Includes fire fighter retirement roll in from the associated city						
**figures received through SERB and through Union Local Survey done in April, 1997						