

STATE EMPLOYMENT RELATIONS BOARDSTATE EMPLOYMENT
RELATIONS BOARD

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CONCILIATOR'S REPORT

IN THE MATTER OF:

[Interest Arbitration]

Goshen Township Firefighters, IAFF Local 3932
And
Goshen Township Trustees

Case Number:
04-MED-09-0857

Before Conciliator
N. Eugene Brundige

PRESENTED TO:

Dale A. Zimmer, Administrator
Bureau of Mediation
State Employment Relations Board
65 East State Street, 12th Floor
Columbus, Ohio 43215-4213

And

John Haynes, President IAFF Local 3932
PO Box 169
Goshen, OH 45122
jchaynes@fuse.net

And

Ray Snyder, Township Administrator
For Goshen Township Trustees
1884 Walnut Street, Box 107
Goshen, OH 45122
Gtpd90@cinci.rr.com

N. Eugene Brundige was duly appointed by the State Employment Relations Board to serve as Conciliator in this matter, in compliance with Ohio Revised Code Section 4117.14(D)(1) by letter dated May 27, 2005.

A hearing was held June 22, 2005 in the Goshen Township Fire Department, in Goshen, Ohio. The parties timely filed the required pre-hearing statements.

In their pre-hearing filings the parties identified the following issues, as being unresolved:

Article 17 - Wages

Article 23 – Insurance

Article 16 - Holidays

The parties submitted to the Conciliator, all other Articles that had been previously negotiated. The Conciliator agreed to incorporate them, and the other Articles that have been tentatively agreed to, into this report.

The Union was represented by John C. Haynes, Local 3932 President and Shirl L. Reising, Vice President. Appearing with them was Chris Johns, Local Secretary-Treasurer.

The Township was represented by Ray Snyder, Township Administrator.

BACKGROUND:

The bargaining unit consists of 11 full time fire and EMS personnel.

The unit was certified in 1999. The first collective bargaining agreement ran from January 1, 2002 through December 31, 2004. This is their first successor agreement.

The parties were able to successfully negotiate most provisions of their contract but went to Fact Finding on the remaining ones.

Additional agreements were reached during the mediation phase of Fact Finding.

Fact Finder James L. Ferree issued his report and recommendations on May 2, 2005.

The parties then proceeded to Conciliation.

Initially there was some confusion regarding the items that were still open. Five were submitted but immediately preceding the Conciliation Hearing the parties were able to agree upon two additional Articles.

Article 17 – Wages

The matter of wages is a confusing one in this jurisdiction in that the parties disagree about the meaning of the Fact Finders recommendation. The Union attempted to submit information gleaned from Mr. Ferree in a telephone call following the issuance of the Fact Finder's report.

Clearly I cannot accept any such information in that it would first constitute hearsay, and secondly once a Fact Finding report is released changes or clarifications can only be made by action of the State Employment Relations Board.

The point is moot in any case since neither party offered the Fact Finders recommendation on wages as their last best offer.

Employer's position

The position of the Township is clear. They are offering wage adjustments of 4% the first year of the agreement, 3% the second year and 3% the third year.

The employer acknowledges that the rate paid to bargaining unit members is below that of neighboring jurisdictions and below the rate paid to Goshen Township Police.

They argue the 4% in the first year is more than the amount paid to other township employees and their wage proposal is fair.

Likewise, there is little debate about the state of finances in the Township. The disagreement comes regarding the intended expenditure of those resources.

The Township Administrator submitted a noteworthy list of accomplishments that have been accomplished in the last 18 months. The list includes: Replacement of 25 sets of turnout gear; replacement of outdated breathing apparatus; replacement of a worn out life squad; refurbishing of a water tanker truck; purchase of a large diameter hose needed for tower operations; purchase of a new heating system for the fire/EMS building; three additional full-time employees; and an increase in minimum manpower per shift from 5 – 7.

The Township also points to significant additional expenditures which need to be made. These include the replacement of Engine 12; the replacement

of a life squad during 2005; the replacement of another life squad in 2006; parts replacement and preventative maintenance for the ladder/tower truck; parts replacement and preventative maintenance related to Engine 14 and the establishment of a "carryover" fund to help the department through the first three months of the year.

Union Position:

The union offers strong arguments regarding the need to achieve some internal and external equity. The evidence presented by the union clearly establishes that Goshen Township fire personnel make significantly more runs per station than neighboring departments which are paid significantly more.

The union feels that promises were not kept with a recent levy was passed.

IAFF submitted data from the State Employment Relations Board dated July 2004 indicating that the average entry level firefighter/Paramedic salary in the surrounding area is \$39,689.98.¹

In addition the Union presented an analysis by the *International Association of Firefighters*, Labor and Collective Bargaining Department which states "Goshen Township's financial situation appears relatively stable while certain areas have improved. Goshen Townships general fund balance has increased 46.14% from 2001 to 2003."

The union views pay adjustments in two areas. They first view a need for increases in the basic steps of their salary scale, and then an additional "cost of

living” adjustment. This apparently has been the practice in Goshen Township in the past.

Based upon this need to catch up, the union proposes a pay table that would increase wages for employees with three or less years at a rate of 3% for each of the three years of the agreement. Employees with six or more years of service would receive annual wage increases of 8% in each of the three years.

Discussion and award:

There is no disagreement on the term of the agreement or its effective beginning and ending dates.

The Union believes the fact finder recommended an amount close to the proposal they have advanced to Conciliation. I cannot judge what was in the mind of the Fact Finder but can only read what is has written. He did strongly make the point that he believed catch-up must be “incremental.”

While the employer has not advanced an “ability to pay” argument, the statute requires that Conciliators consider 4117.14(G)(7)(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;”*

This Conciliator does not like either proposal. It is clear the Union needs some significant adjustments to clearly be on a path of making up some lost ground both in comparison to other Goshen Township employees and to neighboring departments.

¹ SERB Benchmark Report

In most situations an offer of 4%,3% and 3% would be seen as a very generous proposal, but the case is different due to the history of the unit and the significant disparity evidenced by the comparable data from other jurisdictions.

A separate analysis of general labor statistics would indicate a median base salary for fire fighters in the area surrounding Goshen would be \$37,080 annually². But a cumulative 24% increase over three years is simply not responsible public policy.

Because, as a Conciliator, I must select the last best offer of one of the parties, I am forced to select the position of management even though I personally feel they should have been able to offer an additional adjustment beyond the amount on the table to allow the Union to begin to close the proven gaps between them and the other comparable employees and jurisdictions.

I, therefore, reluctantly award the position of the Township on this issue.

ARTICLE 24 – INSURANCE

MANAGEMENT POSITION:

It is the position of management that current contract language should be maintained. At the current time the collective bargaining agreement sets the Trustees share at 95% but allows the Trustees, at their sole discretion, to change that amount.

² Source – Salary.com

Likewise, the current agreement reserves the selection of the carrier to management without any requirement to discuss those changes with the Union prior to changing.

The employer notes the very volatile situation regarding health care costs and indicates that it must maintain the flexibility to change based on possible increases in costs.

The Township also notes that they normally engage an insurance consultant who is the direct contact with carriers. They find meeting with bargaining unit employees to be burdensome and not necessary.

UNION POSITION:

The last best offer of the Union on this topic is to adopt the position recommended by the Fact Finder. Mr. Ferree recommended the addition of language which limits the amount the employee's contribution can be increased to "no more than 10% annually, at the discretion of the Township Trustees."

The Fact Finder also recommended the addition of wording that would provide Union input prior to changes in coverage or carriers.³

Discussion and Award:

The Fact Finder's recommendation with the addition of the language contained in the foot note makes sense. It is important for employees to share in

³ The parties did agree at Hearing to amend each of their proposals to insert the wording "unless that spouse is also a full time Township employee and is provided with the same Insurance."

the cost of Health Insurance. Such participation makes employees better health care consumers and allows a reasonable sharing of the costs.

In addition, it makes good sense for all Township employees to be covered by the same plan.

Bargaining Unit employees have a need to be protected against large and unreasonable shifts in health care costs that would quickly erode the pay increases they are receiving.

The Trustees must have the ability to make changes and the recommendation of the Fact Finder assures that right.

If the Township determines the need to make changes in carriers or coverage, it is incumbent on the employer to give its unionized employees an avenue to state their concerns and interests prior to the action being taken.

I award the position of the Union on this issue.

ARTICLE 16 – HOLIDAYS:

Management Position:

The Township is the moving party regarding this issue. The Township submitted a survey of surrounding Departments listing the Holidays they offer and the conditions surrounding them.

The Township seeks to reduce the number of Holidays from 13 to 10 annually and reduce the rate of pay for holidays worked from 2 ½ times to 1 ½ time the regular rate. They also propose to pay the holiday comp time in cash rather than add it to the compensatory time bank.

Union Position:

Prior to Fact Finding the Union sought several changes in this article including reducing the named holidays from 13 to 10 and then adding four additional days off.

The Fact Finder recommended that no changes be made in the language of Article 13.

The Union adopted this position as their last best offer on this issue.

Discussion and Award:

The Fact Finder noted *"There is no evidence of a problem with the pre-existing holiday system, which is the same as other Township employees enjoy. Unit employees are already familiar with the schedule, as are administrative personnel who must make it work. In such circumstances, I am inclined to leave well enough alone."*

I agree. Insufficient evidence was presented to require a drastic change in this system.

Again, in recognition of the relative economic standing of the members of this bargaining unit, I will not award the Township proposal which would be a significant take back from bargaining unit employees.

I award the position of the union and the Fact Finder to maintain current contract language.

SUMMARY:

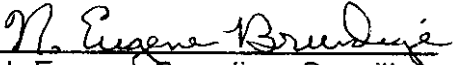
After giving due consideration to the positions and arguments of the parties and to the criteria enumerated in ORC 4117.14(G)(7) the Conciliator awards the above stated positions. Specifically those criteria are:

- 4117.14(G)(7)(a) Past collectively bargained agreements, if any, between the Parties;
- 4117.14(G)(7)(b) Comparison of the issues submitted to the final offer settlement relative to the employees in the bargaining unit involved with those issues related to other public and private employees doing comparable work, giving consideration to factors peculiar to the area and classification involved;
- 4117.14(G)(7)(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;
- 4117.14(G)(7)(d) The lawful authority of the public employer;
- 4117.14(G)(7)(e) The stipulations of the Parties;
- 4117.14(G)(7)(f) Such other factors, not confined to those listed in this section, which are normally or traditionally taken into consideration in the determination of the issues submitted to final offer settlement through voluntary collective bargaining, mediation, fact-finding, or other impasse resolution procedures in the public service or in private employment.

In addition, all agreements previously reached by and between the parties and tentative agreed to⁴, are hereby incorporated by reference into this Conciliation Report, and shall be included in the resulting Collective Bargaining Agreement.

Respectfully submitted and issued at London, Ohio this sixteenth day of

July, 2005


N. Eugene Brundige, Conciliator