

THE CITY OF PARMA, OHIO

AND

PROFESSIONAL FIRE FIGHTERS, IAFF, LOCAL 639

SERB CASE 2015-MED-01-0033

BEFORE WILLIAM C. BINNING Ph.D.
SERB CONCILIATOR

CONCILIATION AWARD

For the City of Parma
Patrick J. Hoban
Zashin & Rich Co, LPA
950 Main Avenue, 4th Floor
Cleveland, Ohio 44113

For IAFF, Local 639
Ryan J. Lemmerbrock
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1621 Euclid Avenue Suite 1750
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In accordance with SERB procedures, this Conciliator was appointed by SERB on May 5, 2016 to hear the case between the City of Parma and the IAFF Local 639.

The parties agreed to hold a hearing on August 23, 2016 at the Parma Library. In a timely fashion and in accord with SERB guidelines the parties delivered to the Conciliator their positions on the outstanding issues five (5) days before the hearing. The parties were well prepared and well represented by their respective counsel. The first day of the hearing addressed the fiscal condition of the City and concluded at 5:00 p.m.

A second day for a hearing was scheduled for September 6, 2016 at 9:30 a.m. A court reporter was provided to keep a record of the hearings. On the second day, the court reporter had a medical emergency and had to leave early in the afternoon. The parties had a lengthy discussion on how to proceed without the court reporter. Finally, the parties agreed to reconvene the hearing on September 7, 2016 at 2:00 p.m. They met and completed their presentations at 6:00 p.m. The hearing was closed with the stipulation that the Union could submit their review of some additional financial data the City submitted on the second day.

On the 3rd day of this hearing, this Conciliator brought to the parties notes, distributed at the most recent SERB training session for Fact-finding, which said that the “Conciliator’s notes are sufficient unless agreed otherwise” to meet the record requirement. ¹This Conciliator told the parties he thought they had chosen the right course in making the sacrifice to return for the 3rd day, so that the entire record would be transcribed by a court reporter. At the end of the hearing, the Court Reporter said the record would be provided to the parties in ten (10) days. This Conciliator said he would wait for the transcribed report before issuing his report.

¹ Betty Wigdeon Factfinder, Gregory Szuter, “PROCEDURAL ISSUES” State Employment Relations Board Fact-finding Conference August 2016. P. 3

The IAFF offered additional material for the record. They submitted via e-mail "Parma Fire Negotiations Response to City's exhibits presented at September 8th [sic] hearing". It was prepared by Mary Schultz of Sargent & Associates. It was dated and submitted: September 15, 2016.

The City requested an opportunity to respond. The Conciliator notified the parties that the record will be closed one week after the transcript of the hearing is received. Any submissions were to be limited to the new evidence regarding the budget, submitted by the City on the 2nd day of the hearing. The transcript arrived September 21, 2016 and the parties were notified that the hearing on that matter would be closed September 28, 2016.

On September 26, 2016, the City responded to the IAFF submission. On September 27, 2016, IAFF entered a response. On September 28, 2016 the City entered a response. Both parties entered statements in the evening of September 28, 2016, and the record was closed. All of the post-hearing evidence and arguments were accepted for the record, and the objections made by the parties were noted.

Statutory Criteria

A Conciliator is instructed by SERB to “resolve the dispute between the parties by selecting on an issue-by-issue basis, from between each of the party’s final settlement offers”. The Conciliator is advised to take into account the following for consideration when making the award:

CRITERIA

1. Past collective agreements, if any, between the parties;
2. Comparison of the issues submitted to final offer settlement relative to the employees in the bargaining unit involved with those issues related to other public and private employers doing comparable work, giving consideration to factors peculiar to the area and classification involved.
3. 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 adjustment on the normal standard of public service;
4. The lawful authority of the public employer;
5. The stipulations of the parties; and
6. Such other factors, not confined to those listed in this section, which are normally taken into consideration in the determination of issues submitted to final offer settlement through voluntary collective bargaining, mediation, conciliation or other impasse resolution procedures in the public service or in private employment.

PRESENT AT THE HEARING

Employer

Pat Hoban, Attorney
Andrew Cleves, Attorney
Thomas Weinreich, H.R. Director
Mike Lasky Fire Chief
Brian Day, Auditor
Mark Prok, Deputy Auditor
Brian Higgins, Director of Safety Services

Union

Ryan Lemmerbrock, Counsel IAFF
Mary Schultz, Union Financial Witness
Pat Lovejoy, IAFF 639
Anthony Hyatt, IAFF 639
Marty Cooper, IAFF 639

MEDIATION

As required by SERB rules, the Conciliator offered to mediate prior to the opening of the hearing. The parties believed they had extensive mediation prior to this date and declined mediation and moved to a hearing.

ISSUES

THE OUTSTANDING ISSUES ARE:

1. Salary Article 25.
2. Salary Schedule and Supplements: Article 25.01; 25.02; 25.03; 25.04.; Delete 25.05 in its entirety.
3. Certification Supplement: Article 27. 02; 27.03
4. Wage Supplement: Article 27.05
5. Sick Leave Conversion: Article 17
6. Uniform Allowance: Article 23
7. Overtime/Comp Time: Article 26

Bargaining Unit:

This Conciliation involves one bargaining unit -- Fire Fighters IAFF Local 639

Findings of Fact, Parties' Positions, and Conciliator's Opinion

The first day of the hearing was devoted to the fiscal condition of the City. Recent fact-finding and conciliation awards between the City and various conciliation and non-conciliation units were placed on the record. This Conciliator will summarize the parties' overall arguments and evidence below.

The financial condition of Parma was given a great deal of attention by the parties. Parma has lost a significant share of its annual state assistance with cuts to the local government funds, the elimination of the death tax, and changes in property tax calculations. For the foreseeable future, these cuts appear to be permanent.

The City of Parma, through significant cuts, employee concessions, one time sale of assets and a trash fee imposed, has struggled to meet its obligations. The City's carry over balance is now projected to be greater than the projected carry over balance that existed at the time of the recent Fact-finder and Conciliation reports, entered on the record. The parties offered varying projections and interpretation of Parma's future revenues. This was a substantial part of the post-hearing evidence and arguments prepared by the parties' experts on the matter.

The City of Parma's own source revenues have stabilized and grown since the Great Recession. However, intergovernmental aid from the state of Ohio has been almost entirely wiped out by state government and it was a significant

part of Parma's operating budget before the economic decline. Parma now relies heavily on its own wage tax. The revenue from this elastic tax is difficult to predict. The state's wage tax has lagged its projections. Parma is now on its own, and for good reason, needs to be frugal.

The Position of the Parties

The City based much of its case on pattern bargaining. The City has a number of bargaining units. Parma's most recent contracts, reached by negotiation or conciliation, included temporary concessions.

The Union argued that Fire Fighters are unique in the type of work they do, their heavy workload, and their pay. They have dedicated revenue streams such as ambulance fees and levies. The Union also asserts that it has already made significant concessions and loss of overtime.

ISSUE BY ISSUE

1.Wages –Article 25

City Proposal

First year	Wage freeze for 2015
Second Year	1% wage increase effective January 1, 2016
Third Year	2% wage increase effective January 1, 2017

Union Proposal

- First year Wage freeze for 2015
- Second year 1% wage increase effective January 1, 2016
- Third Year 2.5% wage increase effective January 1, 2017

Conciliator's Opinion

Parma's fiscal condition is improving, due to significant cuts, concessions and added fees. Therefore the following is recommended:

- First year Wage freeze for 2015
- Second year 1% wage increase effective January 1, 2016
- Third year 2% wage increase effective January 1, 2017

Second Issue

2. Salary Schedule -- Rank differential (Article 25)

Union Proposal

Effective January 1, 2016, increase the rank differential for Fire Lieutenants and Fire Inspectors to 15.0% above the wage of a 5th year Fire Fighter (current rank differential for Fire Lieutenants is 11.5% above a 5th year Fire Fighter; for Fire Inspectors, 14% above a 5th year Fire Fighter), and delete Section 25.05 (currently sets the differential for Fire Inspectors). Effective January 1, 2016, reduce the rank

differential for Fire Captains to 15% above a Fire Lieutenant (current rank differential for Fire Captains is 17.5% above a Fire Lieutenant).

City Proposal

- a. Section 25.01- Amend Section 25.01 to read as follows:

Effective January 1, 2016, Lieutenants and Fire Inspectors shall be paid at an annual rate that is 13% above that paid to “FF 5th yr” in this Agreement.

Effective January 1, 2016, Captains shall be paid at an annual rate that is 16% above that paid to “Lieutenants” in this Agreement.

- b. Section 25.05 –Delete Section 25.05 in its entirety.
- c. Section 25.01, 25.02, 25.03 and 25.04 – Amend to create annual wage rates and related hourly rate calculations for the following:
 - Firefighter
 - Lieutenant/Inspector
 - Captain

Conciliator’s Opinion

Given the offered internal and external comparables, the following is recommended for rank differential:

Effective January 1, 2016, increase the rank differential for Fire Lieutenants and Fire Inspectors to 15.0% above the wage of a 5th year Fire Fighter and delete Section 25.05. Effective January 1, 2016, reduce the rank differential for Fire Captains to 15.0% above a Fire Lieutenant.

3. Sick Leave and Sick Leave Conversion Article 17, Sec 09

City Proposal

Section 17.09 – Add the following:

During calendar year 2017, employees may not convert accrued sick leave to cash payments. This prohibition does not apply to employees who are within three (3) years of a service retirement through the Ohio Police & Fire Pension Fund.

Union Proposal

Maintain current language.

Conciliator Opinion

Suspending the sick leave conversion will give the City some budget relief in 2017 and the Union employees suffer no loss in the long run.

Recommendation:

Section 17.09 Add the following:

During the calendar year 2017, employees may not convert accrued sick leave to cash payments. This prohibition does not apply to employees who are within three (3) years of a service retirement through the Ohio Police & Fire Pension Fund.

4. Uniform Maintenance Allowance Article 23

City Proposal

Section 23.02 Add the following:

Employees will not receive this payment in calendar year 2017.

Union Proposal

Maintain current language.

Conciliator Opinion

Other Parma Conciliation bargaining units have made this concession to relieve some of the pressure on the City's budget as a consequence of draconian cuts in state aid. At the hearing, the City stated that the Chief will acknowledge this sacrifice by extending the period for the expected change in uniforms for the Fire Fighters.

Recommendation:

Section 23.02 Add the following:

Employees will not receive this payment in calendar year 2017.

5. Workweek, Overtime, Compensatory Time –Article 26

City Proposal

Section 26.02 – Add the following to the 2nd paragraph:

Employees may not request payment for accrued compensatory time during calendar year 2017 except for employees who are within three years of retirement under the Ohio Police and Firefighters Pension Fund rules.

Union Proposal

Maintain current language.

Conciliator's Opinion

Although there is no loss of income over the long run, Fire Fighters should not be expected to give up what other conciliation bargaining units have not given up.

Recommendation:

Current language.

6.Educational & Occupational Supps. – Stipend for EMT Certification Article 27

Union Proposal

Effective January 1, 2016, increase the current \$400 annual stipend for EMT-B card carriers (Section 20.02) to \$650 and increase the current \$500 annual stipend for EMT-P card carriers to \$750. Effective for the 2017 year roll the EMT-B pay (\$650) into the Fire Fighters' base salary (thereby deleting the separate EMT-B pay for 2017 and thereafter) and reduce the EMT-P down to \$100 (reflecting the \$650 rolling into the Fire Fighters' base salary).

City Proposal

- a. Section 27.02- Delete Section 27.02 and include \$400.00 EMT-B pay in base pay for Firefighters, Lieutenants/Inspectors, and Captains.
- b. Section 27.03 to read as follows:
All state-certified Emergency Technician-Paramedic (EMT-P) card carriers shall receive an additional **five one** hundred dollars (~~\$5100~~) per year.

Conciliators Opinion

The parties agree that most of this payment be made part of the base. The additional requested amount is overdue, the following is recommended:

Effective January 1, 2016, increase the annual stipend for EMT-B card carriers (Section 20.02) to \$650 and increase the annual stipend for EMT-P card carriers to \$750. Effective for 2017 year, roll the EMT-B pay (\$650) into the Fire Fighters base salary and reduce the EMT-P down to \$100.

7.Educational & Occupational Wage Supps.- Paramedic "Ride Time" Pay (Article 27)

Union Proposal

Effective January 1, 2016, increase the Paramedic “ride-time” pay from \$2.00 for each hour worked as a Paramedic to \$2.25 per hour, and effective January 1, 2017 increase the pay to \$2.50 per hour.

City Proposal

Section 27.05-Revise section 27.05 to read as follows:

Employees who are assigned to ambulance duty shall, in addition to their regular pay, receive two dollars (\$2.00) for each hour so worked the following:

Effective January 1, 2016: Eight percent (8%) of the hourly rate paid to a Firefighter at the fifth year rate for each hour so worked.

Effective January 1, 2017: Nine percent (9%) of the hourly rate paid to a Firefighter at the fifth year rate for each hour so worked.

Conciliator Opinion:

Both parties recognize it is time for a raise for this important work, which is often paid for by clients’ insurance.

Recommendation:

Effective January 1, 2016, increase the Paramedic “ride-time” pay from \$2.00 for each hour worked as a Paramedic to \$2.25 per hour, and effective January 1, 2017 increase the pay to \$2.50 per hour.

Conciliator's Award

The Conciliator awards the following:

1. Article 25 Salary —2015- 0%; 2016 - 1%; 2017-2% Retroactive - City Proposal.
2. Salary Schedule Rank Differential 15% of 5th year pay for Lieutenants, Fire Inspectors ; and 15% Supplement for Captains. Article 25.01, 25.02, 25.03, 25.04; Delete 25.05. – Union proposal.
3. Article 17.09 Sick Leave Proposal-- suspend sick leave cash out for 2017 – City Proposal.
4. Article 23 Uniform Allowance –suspend uniform allowance for 2017- City Proposal.
5. Article 26.02 Overtime/Comp Time – status quo-- Union proposal
6. Certification Supplement Article 27.02, 27.03 –\$650 (in base salary), \$750 – Retroactive --Union proposal.
7. Wage Supplement Article 27.05 -2016, \$2.25; 2017, \$2.50 – Retroactive Union proposal.

These awards strike a balance among the statutory criteria of O.R.C. Section 4117.14 (G) (7) and are based on the record and evidence offered by the parties.

William C. Binning Ph. D.

SERB Conciliator

Mahoning County Ohio

October 9, 2016