

IN THE MATTER OF
ARBITRATION BETWEEN

MENDON PERMANENT FIREFIGHTERS ASSOCIATION
and
TOWN OF MENDON

Interest Arbitration
Case No. JLMC-16-5098

Arbitration Panel: Beth Anne Wolfson, Neutral Arbitrator
Craig Long, Fire Representative
Richard Tranfaglia, Management Representative

Appearances:

For the Town: Michael Maccaro, Esq.
Murphy, Hesse, Toomey & Lehane

For the Union: James Hykel, Esq.
Pyle Rome Ehrenberg, PC

Decision and Award
By the Arbitration Panel

Background

The Town of Mendon (Town) and the Mendon Permanent Firefighters Association (Union) are parties to a collective bargaining agreement (CBA) that expired June 30, 2015. The Union represents a bargaining unit composed of approximately four (4) full-time firefighters and two (2) assistant chiefs (firefighters).¹ Of the six firefighters, three (3) are firefighter EMTs, one (1) is a firefighter Paramedic, and the two (2) are Assistant Chief Paramedics. The Chief, who at

¹ According to the most senior Assistant Chief, Mike Zarella, at the time of the hearing the other assistant chief had begun the paperwork for a medical retirement.

present is both the Police and Fire Chief, is not part of the bargaining unit. The normal work week is 48 hours, comprised of three (3) sixteen (16) hour days, with scheduled days off. There are two full time firefighters on each shift, except Sunday, which is staffed by one full-time firefighter and one call firefighter. The Town also utilizes call firefighters, who are not part of the bargaining unit. The Town has one fire station, and the Fire Department responds to about 800 calls per year, most of which are emergency medical calls. The Town is located in Worcester County, has a population of approximately 6,000, and is about 18 square miles in size. The towns contiguous to Mendon are: Millville; Uxbridge; Northbridge; Upton; Hopedale; Blackstone; and Bellingham. The Town has mutual aid agreements with all of these towns, as well as with the Town of Douglas.

A petition was previously filed with the Massachusetts Joint Labor Management Committee (JLMC). On November 14, 2016 a subcommittee of the JLMC held a hearing with the parties on the issues in dispute, the positions of the parties, the views of the parties as to how the continuing dispute should be resolved, and the preferences of the parties as to the mechanism to be followed in order to reach a final agreement between the parties. At its December 1, 2016 meeting, the JLMC found "that there is an apparent exhaustion of the processes of collective bargaining, which constitutes a potential threat to the public welfare." The JLMC further directed the parties to proceed to arbitration before a tripartite panel.

By letter dated January 19, 2017, the undersigned neutral was appointed by the JLMC to serve as Chairman of the Arbitration Panel. The Management member of the panel was JLMC Committee member Richard Tranfaglia, and the Union member was JLMC Committee member Craig Long.

An arbitration hearing was held on May 15, 2017, June 7, 2017, and June 22, 2017, before the tripartite panel.² At the hearing, the parties were given full opportunity to present evidence and make arguments on their outstanding issues. Subsequently, the updated salary table for the Highway Department collective bargaining agreement, Joint Exhibit 3A, was provided. Both parties submitted their briefs electronically to the panel on August 21, 2017, and also exchanged briefs on that date.

Issues in Contention

Although duration was one of the issues listed by both parties, the parties are in agreement that the award should provide for a three-year CBA effective from July 1, 2015 to June 30, 2018, therefore, the panel will acquiesce to their joint position on duration.

In addition, the parties agreed that an award would be rendered on each of the following issues:

Joint Issues

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Union's Issues

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Town's Issues

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² The parties requested mediation on May 15th and June 7th; consequently, the arbitration hearing did not begin until June 7th.

Wages – Article XXVI & Exhibit A

The current collective bargaining agreement, effective from July 1, 2014, expired on June 30, 2015. Wages are addressed in Article XXVI and Exhibit A of the expired agreement.

Union's Position

The Union seeks the following with respect to wages:

Position	7-1-15 to 6-30-16	7-1-16 to 6-30-17	7-1-17 to 6-30-18
New Hire	\$24.32	\$25.05	\$25.80
Years 1-2	\$25.21	\$25.97	\$26.75
Years 2-3	\$26.34	\$27.13	\$27.94
Years 3+	\$27.96	\$28.80	\$29.66
Lieutenant	\$29.58	\$30.47	\$31.38
Asst. Chief	\$34.61	\$35.65	\$36.72

The Union contends the Panel should grant its proposal because this would begin to bring the Town's firefighters and police into parity, even though the police would continue to earn significantly more than the firefighters. The uniquely hazardous nature of employment and responsibilities of police officer and firefighters supports the importance of maintaining parity between a municipality's police and fire departments. Furthermore, the Union asserts this Panel should follow the JLMC's long line of precedents and issue a decision that calibrates the parity between the Town's police and fire units.

With respect to the Town's police unit, it reached agreement on its CBA prior to the issuance of the Town commissioned report that evaluated its wage parity with surrounding communities by the Edward J. Collins, Jr. Center for Public Management ("the Collins Report").³ The police union and the Town agreed to a 1.75% yearly base salary increase and an increase in every step above Step 3. This resulted in a 5.34% increase over the entire police CBA for those officers who were new hires through Step 3, a total increase of 9.36% for those officers on Step 4, a total increase of 13.55% for those officers on Step 5, a total increase of 14.17% for sergeants, and a total increase of 30.2% for lieutenants. In fact, there were substantial increases for its longest tenured and highest ranking officers in the first year of its CBA, which ranged from 9.68% at Step 5 to 25.75% for lieutenants. This put the top-step police officers and lieutenants well above the wage rates in the Collins' report. The Union contends that the cost of the police CBA wage increases for the Chief, two sergeants and seven top step officers for three years would be \$244,522.20, before even the base wages of the two non-top step officers are added in. This figure does not account for: the one detective stipend increase, which totals \$9,360 over the life of the CBA; the effect of the increases on the Town's Quinn Bill obligation owed to eight officers; longevity payments; or overtime, which the Union surmises must exist because the police union and the Town agreed not to fill a vacant patrolman position. Although the police may not have taken a wage increase in previous years, they chose instead to maintain full Quinn Bill funding. While this provision does not apply to future officers, eight of the officers, including the Chief, reaped significant financial gain. The Union also notes that it is indisputable that police work 28.5% less scheduled hours per week than

³ Although there was some amount of controversy over who selected the towns utilized in the Collins Study, both parties in their briefs relied on data from the towns of Upton, Uxbridge, Northbridge, and Hopedale, therefore, the Panel will accept these four towns as the appropriate external comparators.

firefighters because they work on a repeating 32-hour cycle as compared to firefighters' repeating 48-hour cycle.

According to the Collins Report, the Town's firefighters are underpaid. It recommended that firefighters and police patrol officers have their wages standardized on the same 15-step system. It also recommended that regular firefighters be paid a minimum of \$22.00 per hour and a maximum of \$29.07 per hour, and employees hired before December 1st of each year be eligible for a step increase in the subsequent July. The Town's offer, however, falls short of even that recommended by the Collins Report. Although the wage increases offered by the Town to the firefighters included the 1.75% annual increase (including retroactivity), it proposed that effective July 1, 2016 the previous salary schedule be replaced with the following: New Hires hourly wage of \$19.95; Second, Third and Fourth Years hourly wage of \$22.39; Top Step hourly wage of \$22.83; Lieutenant hourly wage of \$24.57; and Assistant Chief hourly wage of \$28.49. According to the Union, this offer is below even what the Collins Report suggests. The Union's proposal, on the other hand, would merely put firefighters within the parameters of that report.

With respect to the lag between police officers and firefighters, the Union's witness, Mr. Dasey, presented three comparisons: the average annual lag between top step firefighters and police officers as of June 30, 2018 pursuant to the Union's and Town's proposals and including base wages, premiums, allowances, and stipends; as compared to firefighter compensation as of June 30, 2015, also including premiums, allowances, and stipends; and all firefighters' and police officers' compensation, across steps and ranks in the last fiscal year of the contract, based upon the Town's and Union's base wages proposals only. Before accounting for any wage increases, a top step firefighter's lag in hourly rate of pay compared to police officers is 31.6%.

The Town's proposed wage increases barely put a dent in this discrepancy, reducing it by less than 3% over three years to 28.7%. The Union's proposal does not close the gap entirely, but does begin the process by reducing it to a 10% gap. Across all steps and ranks, the Town's proposal results in a final year lag of between 14% and 59%, while the Union's proposal would cure the lag for the first three years of employment, but still result in an 11.6% lag for top step firefighters and a 25.6% lag for Assistant Chiefs. Again, these lags do not include Quinn Bill benefits that are currently enjoyed by the majority of the police bargaining unit, or detail work or longevity payments. The Town claimed its exceptionally large increases to longest tenured police officers were needed to equalize the traditional pay gaps between ranks. Even assuming any pay gaps existed, the Town's increases to police placed them at the top end and above the Collins Report. The Union contends a similar wage increase should be offered to its members. Instead, the Town compressed the wages between a mid-year and top step firefighter, increased wages for a top step firefighter significantly lower than the Collins Report advised, and gave wage increases to top step firefighters over the entire three years that were less than half of what a top step patrol officer received in the first year of the police CBA. The Union argues that, because of the lag as well as the sizable Quinn benefit that police continue to enjoy, the Panel should grant the Union's wage proposal to help bring the units into parity.

With respect to the other Town unions, the Union states that the Town Hall employees' union was the first to sign its CBA after the Collins Report issued. Although the Town did not provide evidence of where on the Collins scale each employee was situated, it does appear that they were all at least above the first step. The Dispatchers' union was the next to sign a CBA. As of June 30, 2015, the dispatchers were already earning between \$19.62 and \$22.00 per hour, placing them between steps 5 and 12 on the Collins Report. The final union to sign a CBA was

the union for the newly-formed Highway employees. They were immediately placed on the salary schedule and eligible for annual advancement each year. Only one of the three employees was at the bottom step.

After these Town unions signed their CBAs, Town Manager Newman renegotiated her own salary. According to Newman's testimony, the Collins Report resulted in an adjustment of her salary and that of all non-union personnel who fell below the Collins Report recommended schedule to the bottom step of that schedule; however, at the time the Collins Report issued, Newman's salary was \$87,500.00 a year, which placed her slightly above Step 1 on the Collins Report scale. In January of 2017, two months after the report issued, the Town amended her 2014-17 contract, immediately raising Neman's salary to \$115,717.00, which was a 32% increase and placed her above the top step in the Collins Report. Furthermore, just six months later, Newman received an additional 1.75% raise to \$117,742. In contrast, the Town's top step firefighters earn only \$.26 more than the Collins Report suggested wage for new hires, and the Assistant Chiefs, graded equivalent to police sergeants by the Collins Report, earn significantly less than the bottom step of the Collins Report. Nevertheless, the Town's wage offer to the firefighters would result in a three-year window, years 2 through 4, when a firefighter would receive pay equivalent to the Collins Report recommended wage for new hires. After year 4, the Town's proposal increases the wage gap that the Collins study identified. Finally, although the Assistant Chiefs gain the most, they would still receive a smaller wage increase than top step police officers and sergeants, and roughly a third of what the police lieutenant received.

The Union's wage proposal would also address the considerable lag between the Town's firefighters and those in other communities. According to Mr. Dasey's analysis, a comparison with top step firefighters in Hopedale, Northbridge, Upton, and Uxbridge, reveals that the

Town's top step firefighters lag behind the average comparable communities at the end of their current contracts by 29.4%. The Town's proposal does not ameliorate this gap at all, reducing it to 28.2% at the end of FY18 (based on the comparables' CBAs, which end in FY17).

The Union contends the Town does have the ability to pay its wage proposal. The Town's population has increased faster than the rest of Worcester County, and its revenue and tax base is growing. The Town's property values, building permits and the value of new construction have increased steadily through calendar year 2015. In 2016, the approximate value of its building permits doubled. This economic boom has enabled the Town to pour unprecedented amounts of money into its stabilization and capital expenditure funds. According to the Town's FY16 Continuing Disclosures, the stabilization fund increased from \$503,559 to \$739,646, or 46.9%, for all years audited (FY12 to FY15). The Town's total fund balance has nearly doubled over four years, growing from \$987,529 to \$1,924,947 between FY 12 and FY16. Mr. Dasey also identified \$180,210.16 of lost money, described in the Town's free cash certification as "unidentified project prior to FY2010." According to Selectman Schofield, that is related to an old capital improvement project for the Fire Department for which the money is no longer required. Mr. Dasey calculated that, between the Town's available free cash, rapidly growing stabilization fund, other available, unrestricted and undesignated funds, and the Town's unused levy limit, it has \$1,592,861 in available funds, which is more than triple what it costs to maintain its Fire Department; in 2016 the Department's expenditures were \$656,521, of which \$197,597 were paid by the Department's revenue-generating ambulance services. The Union argues the Town only needed to spend \$458,924 to run the Fire Department, which amount may have been further reduced by grants or other unidentified funding sources. Even assuming the

Town alone was responsible for the entire cost of running the Department in 2016 that represents 2.34% of the Town's total FY17 revenue.

According to M.G.L. c. 40, § 5c, stabilization funds may be appropriated for any lawful purpose. Furthermore, the average rate of the Town's fund growth, more than \$200,000 per year, shows a trend that would both allow for payment of the Union's proposed increases while continuing to grow the Town's funds. Moreover, the Town's claimed financial hardship is belied by the wage increases it gave to the police union and to Newman herself. The Town has, therefore, demonstrated its ability to give substantial wage increases to employees when it chooses to do so. In addition, the Town's only exhibit – a pie chart – shows a decrease in public safety spending from FY15 to FY18 of 2.47% or \$425,404.52. Even if total expenses in FY18 regressed to the level of FY15, that decrease would fund the entire cost of the Union's wage proposal for three years (\$393,866). Finally, the Union has identified \$1.5 million in stabilization and free cash funds available to draw on for the firefighters' wage increase. These two sources would cover the majority, if not the entirety, of the \$319,722 difference between the Union's proposal and the Town's proposal. In sum, whatever capital projects or other public safety expenses that exist, the Town can pay the Union's proposed increases and still substantially decrease the proportion of its budget that it spends on public safety.

Town's Position

The Town proposes a 1.75% increase in wages across-the-board in Fiscal Years 2016, 2017, and 2018. In addition, in FY17, the Town proposes that the 1.75% increase be added after the firefighters are placed on the recommended salary schedule established through the Collins' report. The Town asserts its proposal would result in most bargaining unit members receiving wage increases that exceed 10% over the life of the CBA. The Town takes the position that this

approach is fair and reasonable and aligned with its efforts to assure that members are fairly compensated while at the same time balancing the Town's financial ability to fund the salaries of its firefighters. Firefighters' pay, pursuant to the 2014-15 CBA is currently: New Hires \$19.61; Second through Fourth years \$20.22; Top Step \$22.26; Lieutenant \$24.15; and Assistant Chief \$26.15. According to the Town, its proposed wage increases, over the course of a three-year CBA, would be:

	FY16 (1 st CBA yr.)	% increase	FY17	% increase	FY18	% increase
New Hire	\$19.95	1.75	\$19.95	n/a	\$20.30	1.75
Second Year	\$20.57	1.75	\$22.39	8.83	\$22.78	1.75
Third Year	\$20.57	1.75	\$22.39	8.83	\$22.78	1.75
Fourth Year	\$20.57	1.75	\$22.39	8.83	\$22.78	1.75
Top Step	\$22.65	1.75	\$22.83	0.80	\$23.23	1.75
Lieutenant	\$24.57	1.75	\$24.57	n/a	\$25.00	1.75
Asst. Chief	\$26.61	1.75	\$28.49	7.07	\$28.99	1.75

This would result in total percentage increases of: 3.5% for New Hires; 12.33% for Second, Third, and Fourth Years; 4.3% for Top Steps; 3.5% for Lieutenants; and 10.57% for Assistant Chiefs. According to the Town, its proposed financial package is consistent with its Model Contract (explained below) for the proposed time frame.

The Town also argues its wage proposal is consistent with the CBAs reached with each of the other four Town bargaining units, which run through June 30, 2018. All four accepted similar wage proposals and in exchange provided the Town with certain concessions that the firefighters have refused to accept. Specifically, the model contract with the other bargaining

units consisted of annual wage increases of 1.75%, along with various increases to reflect industry standard differentials (e.g., increase to Lieutenant's rate of pay) or placement on the Collins Study recommended salary scale.⁴ The other four bargaining units also accepted concessions that were specific to each group. For example, the police provided a give back on vacation accrual; prior to the current CBA, the police got increased vacation time every year of service after their eighth year. In the current CBA, the police agreed to adopt the same vacation policy as the other Town employees. The police also agreed to a more stringent drug policy (i.e., the firefighter drug policy). Similarly, the Town Hall employees made concessions in vacation time and overtime, and agreed to reorganize its Town Hall Accountant position. The Town takes the position that any wage increase or award ordered that is inconsistent with the Model Contract accepted by the four other Town bargaining units is unwarranted and will only serve to fuel an endless cycle of bargaining units seeking to one-up or outpace each other. It would also foster the belief that a union would be better served to always proceed to arbitration as opposed to settle with the employer because a better deal can be awarded through arbitration.

The Town further contends the Union's proposal differs drastically from that proposed by the Town, resulting in percentage increases ranging from 22 to 32% in FY16 and increases of 3% for all positions in FY17 and FY18. According to the Town, the Union's proposal over the course of a three-year CBA is greater than the Town's proposal by approximately \$304,757.00. Such sweeping increases are unprecedented. The Union's proposal is also far greater than the proposals set forth in the Collins Study.⁵ In addition, the Union's proposed salaries are far

⁴ This has been referred to by the Town and referenced by the Union as the "Model Contract."

⁵ The Collins Study's 15 steps ranged from \$22.00 at Step 1 to \$29.07 at Step 15 for firefighters, and \$28.00 at Step 1 to \$36.94 at Step 15 for Assistant Fire Chiefs.

greater than the salaries paid to firefighters in each of the four towns used as external comparators.⁶

Beginning in 2007, the Town experienced a 5-year period of financial difficulty, which when combined with poor financial management, resulted in a dire financial situation. According to Selectman Schofield, the poor financial management included not building stabilization funds to best practice levels, using one-time funds for recurring expenses, and in 2005 converting the Fire Department from call part-time firefighters to full-time firefighters.⁷ In 2012 the Town formed a long range financial planning committee, which has led to the Town's current relatively positive situation. Although the Town's revenue has changed over time, the change has been incremental and the Town is still recovering from its 2012 financial crisis.

With respect to anticipated costs and capital projects, Selectman Schofield testified that the Town's obligation to Black Stone Valley Regional Vocational Technical High School is an absolute "exploding expense." In addition, the Town will have to spend upward of \$600,000.00 in the coming years to maintain the Town's road system. The Town is also going to need funds for major capital projects including, potentially, a new police station. It is also anticipating the allocation of approximately \$250,000.00 to purchase a new ambulance.

The Town's primary sources of revenue are government aid, tax receipts, and local receipts. The Town's revenues from government aid have been declining or flat over the past seven (7) years. Revenue from local receipts fluctuates over the years, so the Town cannot rely on it year to year. The Town does collect some revenue from other sources, such as fees, permits, and parking tickets. Because it is a "bedroom community," the Town's tax base is

⁶ For FY17, Hopedale's base salary is \$53,268, Northbridge's is \$56,200, and Uxbridge's is \$66,826. For FY18 Upton's base salary will be \$60,480, while the Union's proposed base for FY18 will be \$74,031.

⁷ According to Selectman Schofield, the conversion imposed additional cost of \$15,000 in benefits, plus salary.

primarily residential. Residential taxes comprise about 88% of the Town's tax base, and the remaining 12% is commercial. The Town has a single tax rate for both. In light of this, the Town does not have sufficient revenue to offset the cost of services to its residents and has very little additional revenue room in its operating budget for changes. The residents are taxed at the levy limit, leaving no room for the Town to expand. For the past two years the Town's operating budget has been approximately \$18 million per year, of which \$10.5 million is allocated to the schools. For FY16 the Town had a general fund of revenue totaling \$17,371,248.00. The Town's expenditures for FY16 were \$17,561,517.00, exceeding the general fund revenue by \$190,269.00. The Town's expenditure for the Fire Department that year was \$656,521.00.

Although the Town has a certain amount of free cash (i.e., revenue that is left over when the Town underspends and revenue from local receipts), it is not a recurring revenue, therefore, it is not advisable for the Town to fund recurring expenses from free cash. Selectman Schofield testified that it is advisable for the Town's to maintain 5% of its annual budget in its stabilization fund. The Town is currently near its target and it does not fund recurring expenses through this fund. The Town also has a capital expense fund that should be at 3% of its budget, but it does not currently have sufficient revenue in this fund. The Town also has an overlay reserve, which represents funds that are available when there is a challenge to someone's assessment. This money is not available to fund Town salary expenses. Although the Town is capable and willing to provide firefighters with increases to their wages that phase in over time, it is not in a position to provide drastic wage increases that are not justifiable. Simply put the wage increases the Union has proposed are not sustainable. In addition, the Town cannot justify such a drastic wage increase. It would be patently unfair and inequitable, not to mention harmful to Town-union

relations going forward, to grant anything more to the firefighters than the Town's proposed wage increase.

Discussion

In lieu of the parties' reaching an agreement, this Panel must determine the appropriate wage increase for the three-year CBA sought by the parties. There are a number of factors arbitrators customarily consider in determining what wage increases should be granted, including the wages of comparable employees, wage increases granted to other town employees, and the Town's ability to pay. The parties, through the hearing testimony, document submissions, and post-hearing briefs, have provided the Panel with information on these factors and have relied on this information in support of their respective positions. For the reasons outlined below, this Panel concludes that for the three-year CBA sought by the parties for FY16, FY17, and FY18 (July 1, 2015 – June 30, 2018) the appropriate wage increase is as follows:

1. Retroactive to July 1, 2015, the wages found in Article XXVI, Exhibit A – Pay Schedule, of the parties' 7/1/14 to 6/30/15 CBA, plus 1.75%.
2. Retroactive to July 1, 2016, the wages shall be:

<u>Position</u>	
New Hire	\$21.29, plus 1.75%
2 nd Year	\$22.30, plus 1.75%
3 rd Year	\$23.36, plus 1.75%
4 th Year	\$24.47, plus 1.75%
Top Step	\$25.17, plus 1.75%
Lieutenant	\$27.44, plus 1.75%
Asst. Chief	\$29.70, plus 1.75%

3. Retroactive to July 1, 2017, the 2016-17 wages, plus 1.75%.

A review of the evidence concerning the wages of firefighters in Hopedale, Northbridge, Upton, and Uxbridge, the agreed-upon comparable communities, supports the Panel's determination. The issue before this Panel is a wage increase as a percentage of the firefighters'

base salary, as well as whether an adjustment in the base is called for based on the Town's commissioned report concerning wage parity for its employees. For purposes of its analysis, the Panel has compared what appears to be the equivalent of the Town's New Hire and Top Step Firefighters. Base salaries are as follows:

<u>Town</u>	<u>FY</u>	<u>New Hire</u>	<u>Senior FF</u>
Hopedale	16	\$20.69	\$24.39 (3 plus yrs service)
Northbridge	16	\$21.57-23.16 ⁸	\$25.23-26.82 (less than 10 yrs)
Uxbridge	16	\$23.51-25.92 service time plus tier requirements)	\$27.76-30.60 (Step 4 - requires
Upton	16	\$25.58 ⁹	\$26.62 (more than 2 yrs with town) ¹⁰

With respect to the Town's firefighters, the Union's proposal would put the Town's new hires above all but Upton and would put its senior firefighters above all the comparables. The Town's proposal, on the other hand, would put the Town's new hires and top step firefighters below all the comparables' new hires and senior firefighters.

With respect to classifications above firefighter, Hopedale and Upton do not have a rank above senior firefighter.¹¹ Northbridge's Lieutenants are paid 3% over firefighter base, its Captains are paid 5% over firefighter base, and its District Chiefs are 7% over firefighter base. Assuming individuals attaining these ranks would be at Northbridge's Step 6 for EMT-P (10-15 years of service), their respective hourly rates for FY16 would be: Lieutenants, \$28.57; Captains,

⁸ The range covers the three categories in the Northbridge CBA: EMT-B; EMT-I; and EMT-P.

⁹ Weekly salary divided by the 42-hour work week.

¹⁰ Weekly salary divided by the 42-hour work week.

¹¹ Information on those comparables that pay firefighters for acting as a shift supervisor or officer in charge will be addressed in the section on the Union's issue of acting out of grade.

\$29.13; and District Chiefs, \$29.68. Uxbridge, on the other hand, provides that for officer pay, “annual stipend for specific rank within the Fire Department Wage Schedule will be calculated to an hourly wage and added to the hourly rate for the employee's appropriate step. Notwithstanding the previous statement, the stipend for the position of Deputy Chief will be \$2,700.00, Captain will be \$1,942.00, and Lieutenant will be \$850.00.” Assuming the Lieutenants, Captains and Deputy Chiefs would be at Uxbridge’s Step 4, their hourly rates for FY16 would be \$31.00, \$31.49, \$31.84, respectively.¹² For lieutenants, the Town’s proposal for FY16 is below both comparables, while the Union’s proposal is above Northbridge and slightly below Uxbridge. Assuming either captains or district chiefs/deputy chiefs are equivalent to the Town’s Assistant Chiefs, the Town’s proposal for FY16 is well below and the Union’s proposal is well above.

With respect to the Town-side bargaining units, the Town asserts it has developed a “model contract” and should be followed. Evidence of wage patterns for the Town’s other municipal employees is relevant but not dispositive in determining appropriate salary increases for the Town’s firefighters. Firefighters perform very different jobs than the Town’s Town Hall employees, Dispatchers, and Highway employees. The Town’s firefighters and police are more similar in that both perform inherently dangerous jobs and both face risks for the benefit of the community. The Panel agrees that the 1.75% annual increase for FY16, FY17, and FY18 offered by the Town is appropriate. What the Panel is not persuaded by is the Town’s position on its offered mid-term adjustment to the firefighters’ salary scale given the adjustment it made for the police even before the Collins Report came out, the adjustments it made for other Town union and non-union employees in light of the Collins Report, and given the recommendations of the Collins Report with respect to the firefighters.

¹² Annual stipend, divided by 52 weeks times 42 hours a week, added to hourly rate.

Town Manager Kimberly Newman testified that the Town commissioned the Collins Report to look at the Town's classifications and their compensation, to match classifications with the standard in the municipal "industry," and then to make sure the classifications were compensated properly. This was done on a Town-wide basis. She also testified that the majority of unionized positions were fairly compensated because they were in the middle (presumably of the Report's schedule), and that most of the adjustments were made to managerial positions. Newman's testimony regarding managerial positions is certainly supported by the actions the Town took with respect to adjusting her salary. The Town's actions with respect to adjustments for the Dispatchers and Police, but not for the firefighters, belie its position that it was making sure all classifications were compensated properly.

According to the Collins Report, the Town's Public Safety Department is a hybrid, while the Fire Department has a more traditional structure. The Fire Department has a Chief and two Assistants. The Police do not have an Assistant, Deputy, or Captain, but the Lieutenant serves as a de facto Deputy Chief. The Report clearly states, however, "The analysis of the duties, not the title is important in determining the recommended classification." It then classifies the Public Safety positions as follows:

- PS1 – Public Safety Director
- PS2 – Police Lieutenant
- PS3 – Fire Assistant Chief
Sergeant
- PS4 – Firefighter
Patrol Officer
- PS5 – Dispatcher

Once the positions were classified, a salary survey was conducted. Even after Newman requested that the Collins Center expand the survey to obtain more data, the report concluded, "In most instances, the salaries in Mendon are well below the average and median of the

comparable communities.”¹³ Specifically regarding the Town’s firefighters, the Collins Report found that the firefighters’ minimum (\$19.61) and maximum (\$22.26) hourly wage was \$1.47 lower than the median minimum and \$0.83 lower than the median maximum. In general, the Collins Report recommended a 15-step system with 2% increments. For firefighters, the scale started at \$22.00 for step 1 and went to \$29.07 at step 15. For Assistant Chiefs, it started at \$28.00 for step 1 and went to \$36.94 at step 15.¹⁴ The Collins Report also notes that in FY15, the Town’s Police Lieutenant was actually paid \$33.07 per hour, its Sergeant was paid \$31.96 per hour, its Patrolmen were paid \$27.23 per hour, and its Dispatchers are were paid \$22.20, while the Assistant Fire Chiefs were paid \$26.15 and the Firefighters were paid between \$19.61 and \$22.26, depending on their CBA step. Furthermore, under the new police CBA, for FY16 the hourly rate for patrol officers above new hires is between \$23.43 and \$29.86, depending on their step,¹⁵ Sergeants hourly rate is \$35.24, and Lieutenant’s hourly rate is \$41.58. Finally, when the Dispatchers’ union settled its 2015-2018 CBA, in addition to the yearly 1.75% increase, the parties agreed that in the first year (FY16) the dispatchers at Step 3 would have a further adjustment so that their hourly rate would be \$22.83. The Town’s offer to the firefighters leaves all but the Lieutenant and Assistant Chief positions lower than the dispatcher step 3 until FY17, when the Top Step firefighters would reach the same hourly wage. In addition, no rank and file firefighters would reach the step 2 patrol officers’ hourly rate, and the fire lieutenant and assistant chief positions would be below the top step patrol officer, as well as significantly behind the police sergeant and lieutenant hourly rates.

¹³ In addition to the four communities the parties agree to as comparables, the Collins Center also looked at the Towns of Berlin, Bolton, Douglas, and Paxton.

¹⁴ The Panel notes that the Collins Report’s range for the Town’s Police Lieutenant, at PS2, is \$34.00 to \$44.87 and for a Dispatcher, at PS5, is \$16.00 to \$21.12.

¹⁵ The Panel notes the police patrol officers, unlike the firefighters have no salary steps that pay the same.

The Panel concludes that the Town's offer to the firefighters not only trails far behind the police salary schedule, but also falls far short of the hourly salaries recommended by its own commissioned Collins Report.

Having concluded that the wages set by the Panel are justified, it must now consider whether the Town is able to pay these increases. The Town contends, among other things, that from 2007 to 2012 it experienced financial difficulty that, when combined with poor financial management rendered its fiscal situation dire. It also claims that it is still in the process of building both its stabilization fund and capital expense fund to appropriate percentage levels, and that its free cash should not be used to fund recurring expenses such as salaries. With respect to Town funds that are traditionally relied upon in determining ability to pay, the evidence shows that the Town has certified free cash of \$380,646 and a Stabilization Fund balance of \$662,160. The Panel does not take the position that non-recurring funds should normally be relied on for payroll. It does find, however, that these monies are adequate and appropriate for funding retroactive wage increases in an agreement the Town knew it was negotiating and should have known would eventually have to be funded. In fact, the only difference between the Town's offer and the Panel's award is the "bump" the Panel is awarding. Furthermore, even though the Town may have had financial difficulties in the past, as of December of 2015 it had a Moody's bond rating of Aa3 and a Standard and Poor's bond rating of AA+. Finally, at the time the Town claims it was coming off a five-year period of financial mismanagement and crisis, it gave significant step bumps across the board to its police and vastly increased its Town Manager's salary. It also appears to have followed the Collins Report recommendations for almost all of its Town employees, both unionized and non-unionized, except for its firefighters. It is not appropriate to budget for most of its employees at the expense of one group of employees.

Given the totality of the evidence, the Panel concludes that the Town has sufficient resources to fund the firefighter wages the Panel is awarding.

Award - Wages

There will be a three-year contract covering July 1, 2015 to June 30, 2018, with wage increases as follows:

1. Retroactive to July 1, 2015, the wages found in Article XXVI, Exhibit A – Pay Schedule, of the parties’ 7/1/14 to 6/30/15 CBA, plus 1.75%.
2. Retroactive to July 1, 2016, the wages shall be:

<u>Position</u>	
New Hire	\$21.29, plus 1.75%
2 nd Year	\$22.30, plus 1.75%
3 rd Year	\$23.36, plus 1.75%
4 th Year	\$24.47, plus 1.75%
Top Step	\$25.17, plus 1.75%
Lieutenant	\$27.44, plus 1.75%
Asst. Chief	\$29.70, plus 1.75%

3. Retroactive to July 1, 2017, the 2016-17 wages, plus 1.75%.

Sick Leave Incentive – New Article

Union’s Position

The Union proposes a new article that provides the following:

An employee who uses no sick leave in the one-half fiscal year (i.e., July 1 through December 31, or January 1 through June 30) will be entitled to receive one (1) personal leave day to be taken during the following one-half fiscal year.

According to the Union, such a provision discourages the use of sick leave. It adds to the Town’s goal of consistency because the majority of the Town’s unions have this exact provision.

Furthermore, the Town will save the money it would otherwise pay to firefighters who are out of work due to illness, and also save the cost of replacing those firefighters on overtime.

Town's Position

The Town takes the position that, in an effort to provide all of its bargaining units with comparable benefits, it has sought concessions in a "Model Contract." Despite this, the Union has rejected the Town's sick leave proposals and also seeks to add a sick leave incentive. The Town asserts that the Union should not be entitled to receive benefits that far exceed that which the other bargaining units within the Town receive.

Discussion

The Union proposes a new sick leave incentive article, which is apparently based on the contention that the majority of Town unions receive such a benefit. The Town Hall unit, the Police Civilian Association unit (Dispatchers), and the new Highway Department unit have the proposed sick leave incentive provision in their CBAs; however, the Town's Police CBA does not contain this provision. As noted previously, because of the nature of their jobs, a comparison between the Town's firefighters and police is more appropriate than a comparison between the firefighters and the other Town bargaining units. In addition, of the four comparable towns, two – Hopedale and Upton – do not have such a provision. Northbridge provides for one (1) personal day, or up to 10 hours, if a firefighter does not use any sick leave for the year. Uxbridge has a sliding scale: 60 hours of personal leave if no sick days were used; 48 hours if one day was used; 36 hours if 2 days were used; 24 hours if 3 days were used; and 12 hours if 4 days were used. The Panel finds there is not sufficient evidence to justify the adoption of the Union's proposal.

Award - Sick Leave Incentive

The Union's proposed new article on sick leave incentive is not awarded.

Half-Day Holidays – Thanksgiving and Christmas – Article XXII, New Section (G)

And

Holiday – Easter – Article XII, Section A

Union's Position

The Union proposes that the firefighters receive half-day holidays for both the day before Thanksgiving and the day before Christmas. It contends the Town offered the vast majority of its unions a half-day holiday for the day before Thanksgiving and Christmas. When it negotiated the initial CBA with the Highway Department, the Town agreed to give that union both holidays. Granting these holidays to this Union serves the Town's objective of standardizing its CBAs and also appropriately provides the Union with an equivalent benefit enjoyed by the vast majority of the Town's employees. The Town's only objection at hearing was its mistaken assumption that only the Town Hall employees enjoy these holidays. Because this objection was inaccurate, the Union's proposal should be granted.

The Union did not address the Easter holiday proposal in its brief.

Town's Position

The Town contends if these proposals are granted, it would result in Union members receiving a greater percentage of holiday pay hours as compared to neighboring towns (with the exception of Upton). The Union's proposal to have Easter as a recognized holiday is unprecedented and contrary to the benefits provided to the Town's other public safety group. The Town cannot and should not be placed in a position of having to justify why the Union receives benefits that far outweigh those contained in the Model Contract, which were agreed to by the other bargaining units. In addition, the Panel should not rely on internal comparator data from the Town Hall group, the Highway workers, or the Dispatchers, which provides a variation

of holiday pay for Thanksgiving and Christmas Eve. The Union is more akin to the Town's Police Association – both entities are responsible for public safety and work twenty-four hours per day, seven days a week – and in this sense, the Police Association is the proper comparator on holiday pay. The Towns' Police Association does not receive half days holidays on either Thanksgiving eve or Christmas Eve, and neither should the firefighters. For these reasons, the Panel should deny the Union's unprecedented request to have Easter as a recognized holiday, and should equally deny the Union's request to have half holidays on Thanksgiving eve and Christmas Eve.

Discussion

The Union proposes to add half-day holidays for both the day before Thanksgiving and the day before Christmas, and to add Easter as a recognized holiday. The Union asserts the majority of Town bargaining units receive the two half-day holidays. The Union presented no argument with respect to Easter. The Town Hall unit, the Police Civilian Association unit (Dispatchers), and the new Highway Department unit do have the two half-day holidays in their CBAs, but none of them have Easter. The Town's Police do not get either the two half-days or Easter as holidays. As previously noted, because of the nature of their jobs, it is more appropriate to compare the Town's firefighters and police than to compare the firefighters with the other Town bargaining units. In addition, of the four comparable towns, none get the two half-days as holidays and only Uxbridge gets the Easter holiday. The Panel finds there is not sufficient evidence to justify the adoption of either of the Union's holiday proposals.

Award - Half-Day Holidays – Thanksgiving and Christmas and Holiday – Easter

The Union's proposals to add a half day holiday on Thanksgiving eve and Christmas Eve, and to add Easter as a recognized holiday, are not awarded.

Acting Out of Grade – New Article

Union's Position

The Union proposes firefighters acting out of grade as the officer in charge receive an additional \$2.50 per hour in compensation. It asserts its proposal serves the Town's goal of standardizing CBAs because it is derived from the Police Union's CBA. In addition, it clearly defines whose responsibility it is to perform duties of a superior officer when that officer is out of work, and compensates that individual accordingly. The Police Union's CBA codifies the Town's recognition and acceptance of this premise. Assistant Chief Zarella testified that not only are Assistant Chiefs responsible for monitoring compliance with policies and procedures, they are also called upon to make life and death judgment calls, such as prioritizing responses to medical emergencies or commanding a fire scene. Currently, there is nothing in the Union's CBA to identify who is responsible for taking on these duties and responsibilities, which could create confusion. Furthermore, while additional job duties should be compensated, the gravity of these particular duties and responsibilities justifies commensurate compensation. Because the Town has already valued work in a higher grade at \$2.50 an hour, there is no reason why firefighters should not receive equivalent compensation.

Town's Position

The Town asserts that, in addition to the Union proposing a dramatic wage increase, it wants the Town to absorb an additional \$2.50 per hour in additional compensation to members who are acting out of grade as the officer in charge. The proposal ignores the fact that, unlike with patrol officers, it is not the typical practice to have an officer in charge in the Fire Department. With respect to external comparators, neither Hopedale nor Uxbridge provide firefighters with acting out of grade compensation. Although Northbridge and Upton do provide

this compensation, they provide far less than what the Union is seeking – \$0.79 per hour and \$1.50 per hour, respectively. The Union’s proposal is utterly unrealistic.

Discussion

The Union proposes firefighters acting out of grade as the officer in charge receive an additional \$2.50 per hour in compensation. It asserts its proposal serves the Town’s goal of standardizing CBAs because it is derived from the Police Union’s CBA. The Town argues that the proposal ignores the fact that, unlike with patrol officers, it is not the typical practice to have an officer in charge in the Fire Department. The Panel finds the record evidence supports the Union’s proposal.

Assistant Chief Zarella testified that when he is on duty if two calls come in simultaneously he decides how they are handled. The second Assistant Chief is currently out on injury. When he was working they would be scheduled for three days each, on opposite days with one day left uncovered. Now four days are left uncovered. For those four days, the most senior paramedic firefighter on duty makes the decision as to handling calls. The Panel notes that currently there is no Fire Chief and that David Kurczy, a 20-year veteran of the Town’s Police Department who was promoted from Lieutenant to Police Chief in 2016, has also been Acting Fire Chief since August of 2016. It appears the latter is an administrative position; he does not direct the ambulance or firefighting activities.

The Town already compensates members of its Public Safety Department for assuming responsibilities of an absent senior officer. The Police CBA provides that if no supervisor (Chief, Lieutenant or Sergeant) is on a shift, the senior officer on the shift receives \$2.50 more per hour on that shift when in charge. With respect to the external comparables, in Northbridge,

a full time firefighter who is not a fire officer (i.e., Lieutenant, Captain, Deputy Fire Chief, or Fire Chief), but is acting as a shift supervisor will be responsible for the personnel in his/her work group and receive 3% above a firefighter's base pay for performing those duties. In Uxbridge, in addition to the four firefighter groups, there is a "Group E" comprised of two firefighters who are assigned to day shifts and assume additional supervisory duties. The Panel notes that their rate of compensation on the wage schedule was higher than the various step wages for Basic, Intermediate and Paramedic firefighters: in FY16 the difference ranged from \$2.14 to \$2.73 per hour; and in FY 17 ranged from \$2.17 to \$2.78 per hour. In Upton, any firefighter who acts as the Officer in Charge (OIC) receives \$1.50 per hour. It appears only Hopedale does not provide compensation for acting out of grade. Based on the above, the Panel concludes that compensation at the rate of \$2.50 per hour for firefighters acting out of grade as the OIC is appropriate.

Award - Acting Out of Grade

The Union's proposal that firefighters acting out of grade as the officer in charge receive an additional \$2.50 per hour in compensation is awarded, retroactive to July 1, 2017.

Paramedic Stipend – Exhibit B, Stipend Schedule

Union's Position

The Union proposes a \$500.00 increase in the paramedic stipend, from \$2,000.00 to \$2,500.00. It argues that the four agreed-upon comparable communities – Hopedale, Northbridge, Upton, and Uxbridge – upon which the Union has based its proposals, have paramedic stipends that are significantly greater than the \$2,000.00 stipend currently in this Union's CBA. Even with the Union's proposed \$500.00 increase, the Town's paramedic stipend

will be less than every comparable community. The average of the external comparable communities' stipends is \$4,914, or slightly less than double the stipend the Union is proposing.

Town's Position

The Town contends it has been proactive in ensuring its firefighters are fairly compensated. The Union's proposal of a \$500.00 increase in the paramedics' stipend is outlandish and unreasonable. It would ultimately result in the paramedics receiving a larger salary than the firefighters in neighboring towns that have been used as external comparators.

Discussion

The Union seeks an increase in the paramedic stipend from \$2,000.00 to \$2,500.00. It claims this would still be less than the stipend in any comparable community, while the Town argues this would ultimately result in its paramedics earning larger salaries than in the comparable communities. The Panel has reviewed the external comparable CBAs and finds that Hopedale's stipend is \$6,000.00 and Upton's is \$3,000.00. In Northbridge, effective 7/1/15 the stipend for an EMT-Paramedic was \$1,500.00, which was increased to \$1,750.00, effective 7/1/16. The Panel also notes that in Northbridge firefighters who have earned a post-secondary degree in Paramedic Science from an accredited college or university also receive an annual education stipend paid in a lump sum of \$1,250.00 for an associate's degree, \$1,750.00 for a bachelor's degree, and \$2,500.00 for a master's degree. In Uxbridge, upon attaining Massachusetts state certification in an advanced medical level (Intermediate or Paramedic) a firefighter is placed on the same step in the wage schedule as the prior placement in the previously held certification. Because there is more than a \$1.00 difference between the comparable steps from Basic to Intermediate and Intermediate to Paramedic, this results in a salary increase of over \$42.00 a week. Finally, the Town's detectives received an increase in

their stipend, from \$50.00 to \$100.00 a week, effective 7/1/15. Based on the totality of the evidence, the Panel concludes that the increase in Paramedic Stipend from \$2,000.00 to \$2,500.00 sought by the Union is appropriate.

Award - Paramedic Stipend

The Union's proposal to increase in the paramedic stipend by \$500.00, from \$2,000.00 to \$2,500.00, is awarded, retroactive to July 1, 2015.

Sick Leave and Sick Leave Accumulation – Article XI

Town's Position

The Town proposes, in an effort to provide all of its bargaining units with comparable benefits, the reduction of the cap on sick leave accumulation (up to a maximum of 95 days, or 47.5 sixteen hour shifts), and the reduction from 15 to 12 sick leave days that an individual hired after July 1, 2015 can accrue. Both of these proposals were accepted by the four Town bargaining units as part of the Model Contract. The purpose of these proposals, among other reasons, was to reduce the Town's unfunded liabilities while at the same time providing parallel benefits to its bargaining unit employees. Despite the concessions of the other Town bargaining units, the Union insists on rejecting the Town's proposals and wishes to continue receiving sick leave benefits that exceed that which is provided in the Model Contract. At the same time, the Union seeks to add a sick leave incentive to its CBA. The Union cannot, however, justify its stance on sick leave. Simply put, the Union should not be entitled to receive benefits that far exceed that which the other bargaining units within the Town receive.

Union's Position

The Union argues applying a cap for first time firefighters would have a drastically different effect than merely reducing an already existing cap by less than 10% (from 105 to 95

days). Another arbitration panel found the union's proposal to eliminate a sick leave cap would "... generally have a meritorious effect on the usage of sick leave." It stands to reason, therefore, that imposing such a cap would undoubtedly have a deleterious effect on sick leave use, putting firefighters – for the first time – in a use-it-or-lose-it position with their sick leave.

The Union also contends the Town's proposed reduction of the pace of sick leave accumulation should not be imposed upon firefighters simply because it was imposed on the Dispatchers, Town Hall employees, and the Highway Department. First, the police association did not accept this change, which undermines the Town's claim that there is a "Model Contract" at all. Second, firefighters are already at a disadvantage for sick leave accumulation insofar as they accumulate half as many days; because they work 16 hour shifts, the CBA already cuts the number of days they accumulate in half. This arrangement already overcompensates for firefighters working three instead of five days per week (60% days worked versus 50% of time accumulated). Firefighters do not recover from injuries or illnesses twice as fast, so there is the added detriment that simple bad timing of a few minor illnesses can decimate a firefighter's sick leave. Further reduction of firefighters' sick leave is not warranted on the sole premise that other unions that do not face this concern have accepted the reduction. For these reasons, the Town's sick leave concessions should be rejected.

Discussion

The Town proposes the reduction of the cap on sick leave accumulation from 105 days to a maximum of 95 days or 47.5 sixteen hour shifts, and the reduction from 15 to 12 sick leave days that an individual hired after July 1, 2015 can accrue. It asserts that the Town's other four unions have accepted this proposal. It also contends that not only has the Union rejected these proposals, but also it seeks a sick leave incentive. At the outset, the Panel notes that it did not

award the Union's sick leave incentive proposal. A review of the internal comparables discloses that only the Highway Department employees accrue sick leave at the rate of 12 days a year. The other three units, including the police, accrue sick leave at the rate of 15 days a year. While it is correct that all of the unions agreed to a 95 day cap, the Panel notes that none of these bargaining units work sixteen hour shifts. In essence, the Town's proposal would have the effect of affording firefighters half the length of time (in number of week days) to recover from illnesses or injuries.

With respect to the external comparables, Hopedale firefighters accumulate sick leave at a rate of 1 day per month or 12 days per year, and may accumulate a maximum of 140 days of sick leave. Upton firefighters accumulate sick leave at a rate of 1 ½ days per month or 18 days per year, and may accumulate a maximum of 40 days from year to year. Northbridge and Uxbridge calculate their firefighters' sick leave by number of hours, not days. Northbridge firefighters accumulate sick leave at a rate of 12 hours per month or 144 hours per year, and may accumulate a maximum of 1,800 hours of sick leave. Uxbridge firefighters accumulate sick leave at a rate of 15 hours a month or 180 hours a year, and may accumulate a maximum of 2,220 hours of sick leave. All of the comparables have a 42 hour work week, as opposed to the Town's firefighters' 48 hour work week. Based on the above, the Panel finds the evidence insufficient to justify adopting the Town's proposal.

Award – Sick Leave and Sick Leave Accumulation

The Town's proposals to modify Article XI to reflect a reduced cap on sick leave accumulation to a maximum of 95 days or 47.5 sixteen hour shifts, and to modify Article XI by reducing from 15 to 12 (i.e., six (6) sixteen (16) hour shifts) the number of sick leave days that an individual hired after July 1, 2015 can accrue, are not awarded.

Overtime – Article IV, Section C

Town's Position

The Town proposes either the elimination or modification of the right of first refusal of bargaining unit members to cover open shifts. The Town asserts its proposal is fair and reasonable, and provides it with the needed flexibility to allow call firefighters to fill open details. Unlike its external comparators, the Town is seeking to rely on its call firefighters so that it can successfully build a team of reliable call firefighters. To accomplish this, the Town needs to be able to provide call firefighters with opportunities to be called upon for service. The current language of Article IV prevents this because it requires that Union members have the first right of refusal for all shift replacement, with certain exceptions. The Union should not be allowed to impede the Town from accomplishing its mission to build upon its call firefighters as it is in the interests and welfare of the public that the Fire Department be able to call upon, and rely upon, as many qualified firefighters as possible.

Union's Position

The Union contends the Town barely mentioned its proposal to entirely eliminate full-time firefighters' right of first refusal at the hearing. Its failure to adduce any evidence was a tacit admission that such a proposal could not be conceivably justified by any fact or argument. For decades arbitration panels have reinforced that interest arbitration is an incremental process ill-suited to make waves. In addition, they have found that the party seeking a change of the status quo has the burden of proving the reasoning for the change is sufficiently strong to justify replacement of a longstanding practice. Here, the evidence overwhelmingly supports rejecting the Town's proposal. No comparable internal or external contract similarly provides the employer the right to give all overtime work to non-unit members. The Town's Police Union

has the absolute right of first refusal and every comparable town similarly provides protection for full-time firefighters' right to open shifts. The Town presented no evidence that the system as currently constructed has caused any problems or complaints. If this proposal is granted it could potentially eliminate all overtime for the entire bargaining unit. Such a drastic concession cannot be awarded as an afterthought.

Discussion

The Town asserts it must either eliminate or modify the right of first refusal provision in order to build a team of reliable call firefighters. It attempts to distinguish its situation from that of the four comparable communities, all of which have right of first refusal provisions in their firefighter CBAs, by arguing that the other communities do not rely on call firefighters. Even the Town's police CBA provides that overtime will be offered to its full time employees first. There is, therefore, no support for this provision from either the external or relevant internal comparables.

At the hearing, Selectman Schofield testified that part of the financial problems for the Town stemmed from converting its Fire Department in 2005 from "call" to full-time firefighters. If the Town is seeking a return to its previous Fire Department configuration, an arbitration award is not the vehicle through which to accomplish this. The Panel believes a change of that magnitude should be the product of the parties' full and fair negotiations. For both of these reasons, the Panel finds the evidence insufficient to justify adopting the Town's proposal.

Award – Overtime

The Town's proposal to either eliminate or modify the right of first refusal of bargaining unit members to cover open shifts by deleting the current language in Article IV, Section C, is not awarded.

Summary of Award

Award - Wages

There will be a three-year contract covering July 1, 2015 to June 30, 2018, with wage increases as follows:

1. Retroactive to July 1, 2015, the wages found in Article XXVI, Exhibit A – Pay Schedule, of the parties' 7/1/14 to 6/30/15 CBA, plus 1.75%.
2. Retroactive to July 1, 2016, the wages shall be:

<u>Position</u>	
New Hire	\$21.29, plus 1.75%
2 nd Year	\$22.30, plus 1.75%
3 rd Year	\$23.36, plus 1.75%
4 th Year	\$24.47, plus 1.75%
Top Step	\$25.17, plus 1.75%
Lieutenant	\$27.44, plus 1.75%
Asst. Chief	\$29.70, plus 1.75%

3. Retroactive to July 1, 2017, the 2016-17 wages, plus 1.75%.

Award – Sick Leave Incentive

The Union's proposed new article on sick leave incentive is not awarded.

Award – Half-Day Holidays – Thanksgiving and Christmas

The Union's proposal to add a half day holiday on Thanksgiving eve and Christmas Eve is not awarded.

Award – Holiday – Easter

The Union's proposal to add Easter as a recognized holiday is not awarded.

Award – Acting Out of Grade

The Union's proposal that firefighters acting out of grade as the officer in charge receive an additional \$2.50 per hour in compensation is awarded, retroactive to July 1, 2017.

Award – Paramedic Stipend

The Union's proposal to increase in the paramedic stipend by \$500.00, from \$2,000.00 to \$2,500.00, is awarded, retroactive to July 1, 2015.

Award – Sick Leave

The Town's proposal to modify Article XI by reducing from 15 to 12 (i.e., six (6) sixteen (16) hour shifts) the number of sick leave days that an individual hired after July 1, 2015 can accrue is not awarded.

Award - Sick Leave Accumulation

The Town's proposal to modify Article XI to reflect a reduced cap on sick leave accumulation to a maximum of 95 days, or 47.5 sixteen hour shifts, is not awarded.

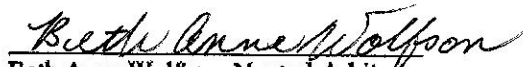
Award – Overtime

The Town's proposal to either eliminate or modify the right of first refusal of bargaining unit members to cover open shifts, by deleting the current language in Article IV, Section C, is not awarded.

Respectfully submitted this 2nd day of October, 2017,


Craig Long, Union Representative


Richard Tfanaglia, Management Representative


Beth Anne Wolfson, Neutral Arbitrator