

**Commonwealth of Pennsylvania**  
**Pennsylvania Labor Relations Board**

In the Matter of the Impasse Between	)	
Teamsters Local Union No. 776	)	
And	)	PERA-F-22-311-E
City of York	)	

**FACT FINDING REPORT AND RECOMMENDATIONS**

APPEARANCES:

**For the Teamsters:**

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**Also:**

Spencer Dearth  
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**For the City:**

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**Also:**

Brett Flower, Esquire  
Kim Robertson  
Thomas Allen Ray

**BACKGROUND:**

On December 20, 2022, the Pennsylvania Labor Relations Board (PLRB) appointed the undersigned as Fact Finder pursuant to the Public Employee Relations Act (PERA) in the impasse between Teamsters Local Union No. 776 (“Union”) and the City of York (“City”) for the City’s blue-collar employees, as identified in Article 1, Recognition, in the parties’ collective bargaining agreement.

The parties to this dispute have a mature collective bargaining relationship, and the most recent collective bargaining agreement between the parties is a four (4) year agreement that expired December 31, 2022. The parties have been unable to reach a successor agreement, and are both dedicated to achieving an agreement as soon as possible. The parties began to bargain in earnest on July 1, 2022, and met thirteen (13) times, not including conference calls and email exchanges, throughout the year. After a flurry of emails containing proposals, counter proposals and potential “package proposals” attempting to resolve the dispute, by December, 2022, it was determined that fact finding would be in the best interest of the parties, as several roadblocks precluded the parties from reaching an agreement. On December 14, 2022 the Union requested fact finding, and on December 20, 2022 the PLRB granted the request and ordered fact finding pursuant to a conference call meeting of the members. The above listed Fact Finder was appointed on December 20, 2022 to serve.

The fact finding hearing was held on January 24, 2023 at 10:00 AM at the York City Hall, York, PA. At that time, the parties were afforded a full opportunity to present testimony, question witnesses and introduce documentary evidence in support of their respective positions. The parties presented extensive documentary evidence and reports as well as testimony. Indicative of the parties’ diligent efforts in negotiations prior to fact finding, tentative agreements were reached on a number of issues. At the conclusion of the hearing, the record closed, and the matter is now ready for the within Report of Recommendations.

## **OVERVIEW:**

The City of York is the York County seat and is centrally located between Harrisburg and Lancaster PA. According to the City presentation, the City has experienced a marginal 2.5% population increase since 2010, and it comprises less than 10% of the County's overall population. The City has 17,508 households but less than half (42.6%) are owner-occupied. The City points out that the median value of owner-occupied houses is \$80,000, compared to \$191,000 for greater York County as a whole. The City contains little undeveloped land, encompasses approximately 5.34 square miles, and has little room for physical growth, depending primarily on revitalization rather than physical growth to add to the tax basis.

Again, according to the City presentation, and in examining demographics more closely, the per capita income is \$21,783 (64% below the same metric for York County) and the median household income is \$39,764 (82% below the same metric for York County). The overall poverty rate is 19.5% higher than York County and 16.6% higher than Pennsylvania. The City's tax rate, at 62.08 mills, is the highest in the County, 115% higher than Carroll Township, the next highest municipality. The City points out that more than 900 parcels of real estate in the City are tax-exempt, which equates to over \$12 million in lost annual tax revenue.

Overall, the City primarily seeks contractual relief in the area of overtime, vacations, sick leave and a three (3) year term of agreement, that also contains increases in both current employee and retiree contributions, and in return, it offers what it considers a fair wage increase.

As provided by the Teamsters Local at the hearing, the Teamsters Local No.776 was certified as the exclusive bargaining agent in 2007, and the bargaining unit consists of approximately thirty-five (35) non-professional employees performing maintenance of vehicles, and parks, as well as there are laborers, painters and building maintenance employees. The Union points out that the average hourly pay rate of the members is \$23.35, ranging from \$19.79 at the bottom and \$25.90 at the top of the scale. The Union reminds the Fact Finder that the employees pay a significant contribution to their health care, and that these contributions have increased over the years. The Union also points out that the Cost-of-Living in the area has risen about twelve (12) or thirteen (13) per cent over the years, but past wage increases have amounted to about less than half that figure. Additionally, as presented by the Union and according to Keystone Research, the City of York was allocated a total of ARPA (American Rescue Plan Act) funds of \$35,304,707. While funds have been allocated to services, infrastructure and revenue replacement, the Union asserts that there are sufficient funds to provide a fair and modest wage increase to the employees.

Overall, the Union primarily seeks modest wage increases over the life of a four (4) year contract. The Union accepts that employee premium shares may increase to a reasonable level, but asks for wages to be in line with the increases. The Union also seeks an additional holiday (Juneteenth) and asks for relief in the overtime language, the sick leave payout provisions, and in light of the current inflation, it seeks a signing bonus for employees. The Union asserts that the status quo of the previous Agreement has been maintained, and it is willing to maintain that atmosphere for a reasonable amount of time.

To arrive at the following Report and Recommendations, this Fact Finder relied upon, among other things, the following criteria:

- The expired collective bargaining agreement.
- The reliable and credible testimony provided, the evidence presented at the Fact Finding hearing, discussions with the appointed mediator and further clarifications given to questions of this Fact Finder.
- Comparisons of unresolved issues relative to the employees in this bargaining unit and how those issues related to other third-class municipalities and employees doing similar work, giving consideration to factors peculiar to the City of York.
- The interest and welfare of taxpayers and the ability of the City of York to finance and administer the Recommendations proposed.
- The understanding that each individual issue has been reviewed for its relative individual merit; at the same time, each individual issue has also been reviewed with consideration given to whether or not it appropriately fits into the collective bargaining agreement created through this process.
- The effect that the COVID-19 pandemic, as well as current inflation has had on working conditions, the citizens of the City of York, the financial implications on the City, and the uncertainty of the future impact of the pandemic, inflation and/or recession.
- Due consideration for a fair and equitable contract for members of the unit who worked tirelessly and extraordinarily through the pandemic and beyond.

**The Recommendations that follow constitute the settlement proposals upon which the parties are now required to act as directed by PLRB regulation and statute. A vote to accept the report does not constitute agreement with, nor endorsement of the rationale contained therein. Rather, it represents only an agreement to resolve the issues by adopting the Recommendations. The parties are directed to review the report and within ten (10) days, notify the PLRB of their decision to “accept” or “reject” the Recommendations. The report will be released to the public if not accepted by one or both of the parties. A failure to respond equates to a “reject” vote.**

**OPEN ISSUES:**

The City and the Union identified the following issues remaining in dispute and open at the time of the fact finding hearing:

1. **ARTICLE 23- SICK LEAVE**
2. **ARTICLE 25- BEREAVEMENT LEAVE**
3. **ARTICLE 29- VACATION LEAVE**
4. **ARTICLE 30- HOLIDAYS**
5. **ARTICLE 31- HEALTH CARE BENEFITS & LIFE INSURANCE**
6. **ARTICLE 34- OVERTIME**
7. **ARTICLE 35- RATES OF PAY**
8. **ARTICLE 37- GENERAL PROVISIONS**

**DISCUSSION AND RECOMMENDATIONS**

**1. ARTICLE 23- SICK LEAVE**

**CITY POSITION:**

The City proposes to eliminate the cap on Sick Leave payouts, which are currently available only upon retirement with applicable age and service requirements. The City proposes to implement a graded system for Sick Leave payouts based upon “tiers” of years of service, which results in an added benefit to employees who separate employment prior to earning the required applicable age and service requirements.

**UNION POSITION:**

The Union proposes payment of the full dollar value of accrued and earned, but unused paid Sick leave upon separation from employment with the City. The Union seeks the elimination of current language that only compensates at the 25% rate for employees who separate from employment with applicable age and service requirements.

**RECOMMENDATION AND RATIONALE:**

The parties both seek elimination of the cap on Sick Leave payout. Both parties seek enhanced Sick Leave payout for employees at all “tiers” of service. The Union proposal seeks payout at full face value, which could significantly add to the City’s financial responsibilities. The City proposal compares to a sampling of other Third Class municipalities’ benefit program. The City’s proposal provides an additional benefit to employees by providing a payout based on years of service only, in most circumstances. The City’s proposal does not potentially contribute as significantly to budgetary constraints as does the Union proposal. Therefore, I recommend adoption of the City proposal in total, as delineated in the proposed language changes submitted at the hearing. Specifically, the maximum of 1,200 hours is eliminated; the “tiers” of Sick Leave payout with appropriate percentages of 10, 15, 20 and 25%, as stated in Section 10.a. and b. are adopted; and the provisions in Section 10. c. and d. are recommended to be adopted. The effective date of this recommendation is the issuance date of this Report.

**2. ARTICLE 25-BEREAVEMENT LEAVE**

**CITY POSITION:**

The City proposes an expansion of eligibility for Bereavement Leave by permitting employees to utilize Sick or Vacation Leave to supplement Bereavement Leave.

**UNION POSITION:**

The Union did not offer a proposal regarding this Article.

**RECOMMENDATION AND RATIONALE:**

The City’s proposal grants a potential additional benefit to the employees and is comparable to other Third Class municipalities’ benefit program. Therefore, I recommend adoption of the City’s proposal in total, with addition of the City’s proposed language change which requires prior request and substantiation of relationship by the employee, as well as the opportunity (may) to use either accrued, unused Sick or Annual Leave to supplement Bereavement Leave. The proposed language change to allow for City waiver in certain circumstances is also recommended for adoption.

### **3. ARTICLE 29- VACATION LEAVE**

#### **CITY POSITION:**

The City proposes to permit use of Vacation Leave in minimum increments of fifteen (15) minutes, provided proper notice and approval is obtained and entered via the City's electronic time and attendance system. This is a change from the requirement to take an initial period of leave in an increment of no less than an hour.

#### **UNION POSITION:**

The Union proposes an additional Vacation day be granted, in conjunction, or as an alternative, to its proposal regarding Holidays. Specifically, while the Union proposes an additional Holiday (Juneteenth) be added, should that proposal not be recommended, the Union proposes that an additional Vacation Leave day be added for the Unit members, to be used at their discretion.

#### **RECOMMENDATION AND RATIONALE:**

I am sensitive to and I greatly appreciate the proposals of both parties. The City proposal grants some small benefit to employees in that a time-increment restriction is lifted regarding use of leave. I also understand the City proposal to require proper notice and approval and entry via a system that accurately captures the request. I understand the Union proposal, which may be best addressed as a Holiday proposal. While I appreciate the request for an additional Vacation Leave day, because Vacation days are subject to approval or denial based on the dictates of manpower needs, the desired result of obtaining leave on a particular holiday may not be achieved. Therefore, I recommend adoption of the City proposal in total, including the specific language of its proposal at the hearing, including the "housekeeping" elimination of language regarding incorporation of Personal time and Floating Holidays. Additionally, I recommend rejection of the Union proposal to add an additional Vacation Leave day. However, this will be addressed in greater detail below. This Recommendation is to take effect upon issuance date of this Report.

### **4. ARTICLE 30- HOLIDAYS**

#### **CITY POSITION:**

The City proposes to change Holiday pay to provide that employees who work on a designated Holiday will be paid at the double time rate, instead of time-and-one half, in addition to the Holiday pay. The City, as a result of no longer operating a wastewater treatment plant, proposes the elimination of Article language that addressed proper pay for employees working on a Holiday that is not an officially designated and recognized Holiday.

**UNION POSITION:**

The Union proposes to add Juneteenth as a recognized and designated paid Holiday.

**RECOMMENDATION AND RATIONALE:**

As the City no longer operates a wastewater treatment plant, I recommend adopting the City proposal to delete unnecessary language pertaining to working or not working an observed or calendar Holiday. I do however, recommend retaining the language addressing when a Holiday falls during an employee’s vacation period and how that day is treated/coded.

With regards to the Union proposal to add Juneteenth as a paid Holiday, I understand the City argument that it seeks to treat all City employees equally with regard to standardizing Holidays. I also understand that the Union has mentioned the existence of a “most favored nation” clause in other unit Agreements which make them eligible for any negotiated paid Holiday. Therefore, while I reject the Union proposal to add Juneteenth, I recommend the adoption of the following language to address this proposal:

“During the life of this specific Agreement, should another unit employed by the City of York receive Juneteenth as a paid Holiday, or be afforded the option of substituting the Holiday for another, the parties agree that the same benefit will be provided to members of this Unit, whether given Juneteenth as a paid Holiday/or substituted for another Holiday.”

**5. ARTICLE 31- HEALTHCARE BENEFITS & LIFE INSURANCE**

**CITY POSITION:**

The City proposes nominal increases to the employee monthly premium share for insurance coverage, consistent with historical trends in this Unit. The City proposes increases which keep the employees in the mid-range of similar employees in similar Third Class municipalities. The City also proposes incremental increases to retiree premium share amounts, again to maintain as presented by the City, the historical trend that has been increasing by several hundred dollars per year. The City also proposes “housekeeping” language changes that incorporate into the Article the terms previously defined in Appendix A.; adding a defined LASIK and Hearing benefit; and additionally the City proposes no change to the employee dental and vision premium shares.

For active employees, the City proposes the following, to be effective January 1 of each contract year:



**2023 monthly premium share:**

**Employee 114.05/ Employee + Spouse 179.19/ Employee + Child/Children 166.66/ Employee + Family 266.70**

**2024 monthly premium share:**

**Employee 134.05/ Employee + Spouse 199.19/ Employee + Child/Children 186.66/ Employee + Family 286.70**

**2025 monthly premium share:**

**Employee 164.05/ Employee + Spouse 229.19/ Employee + Child/Children 216.66/ Employee + Family 316.70.**

For Retiree Health Care benefits, the City proposes, again with an effective date of January 1 of each contract year:

**2023**

**Retiree Coverage Only: \$2,100/year**

**Retiree and Spouse: \$4,000/year**

**2024**

**Retiree Coverage Only: \$2,150/year**

**Retiree and Spouse: \$4,100/year**

**2025**

**Retiree Coverage Only: \$2,200/year**

**Retiree and Spouse: \$4,200/year**

**UNION POSITION:**

The Union did not make a specific dollar amount proposal, rather the Union has expressed a willingness to pay a reasonable increase in healthcare premium share if the City accepts the Union's modest wage and bonus proposals. The Union opposes a diminution of actual and realized employee net compensation.

## **RECOMMENDATION AND RATIONALE:**

As read in conjunction with the Recommendation pertaining to the Rates of Pay Article, and in full consideration of all the evidence placed before me, I recommend adoption of the City Healthcare proposal, with the appropriate active and retiree share increases, as well as the proposed City language presented at the hearing, **with two caveats.**

First, I recommend that the above specified *current employee* premium share rates for 2023 are to become *effective July 1, 2023*, while the 2024 recommendation becomes effective on the first day of January, 2024. I recommend that the increase in *Retiree* shares become effective January 1, 2023, 2024 and 2025 in the amount as proposed by the City.

When read in conjunction with the Rates of Pay recommendation, this will provide a limited financial “buffer” for current employees in the first year, in this present period of high inflation, while not being a “budget buster” for the City.

The second exception is to recommend an increase in premium employee shares of thirty (30) dollars per month, as proposed by the City for the 2025 year to become *effective July 1, 2025*, some months following a recommended January 1, 2025 pay increase under Rates of Pay. While I understand that the overall premium increases can be moderate, especially for the lower wage earners, I believe the increases are reasonable, competitive, and the recommended pay increases will prevent diminution of realized employee compensation. Finally, I believe the lag between January pay increases and the July premium increases in 2023 and 2025 may be more cumbersome than normal for the City, however, they provide the necessary buffer and preparation for the employees to pay increased premium shares.

## **6. ARTICLE 34- OVERTIME**

### **CITY POSITION:**

The City proposes to clarify and expand the instances in which overtime pay may be earned outside the basic FLSA requirements. The City wishes to maintain previously bargained limitations to overtime pay for time worked over eight (8) hours in a day. The City is willing to expand certain instances in which overtime will be paid outside the FLSA requirements, and it is also willing to expand consideration of time lost due to an employee illness, to be considered as actual hours worked for overtime pay. The City proposes language additions to accomplish this in Sections 3. and 4., as well as changing wording in Sections 5. through 18., specifically converting “overtime” references to “additional work assignment.” The City cites some comparative Third Class municipalities to support its proposal, as well as referencing the amount paid in overtime to employees in 2022.

**UNION POSITION:**

The Union proposes a restoration of premium pay for time worked after the eighth hour in any work day, and for all earned Paid Time Off to be treated as working hours for the purposes of calculating overtime.

**RECOMMENDATION AND RATIONALE:**

I recommend adoption of the City proposal in totality, which includes the language changes to the referenced Sections (as proposed at the hearing), as well as the provision to include Sick Leave time to be considered as actual hours worked for overtime pay, and the “loosening” of the doctor certificate provisions. The Union proposals to include Paid Time off to be included in calculation for overtime pay, as well as the return to premium pay for work over eight (8) hours in a day are recommended to be rejected. The recommendation to include Sick Leave time consideration as actual hours worked for overtime pay is effective the issuance date of this report, that is, any Sick Leave time taken January 30, 2023 and beyond is counted as actual hours worked for overtime pay.

**7. ARTICLE 35- RATES OF PAY**

**CITY POSITION:**

The City proposes wage increases of:

2023	3.25%
2024	3.00%
2025	2.75%

The City points out that when examining some other Third Class comparators, it stands about in the middle as far as wages are concerned. In order to maintain a reasonable and competitive operational position, the City contends that its proposal is fair and maintains equity. The City additionally points out that the average W-2 wages of this bargaining unit is 33% higher than the median household income of the City. Finally, the City argues that this bargaining unit, with an individual average annual salary of \$47,923, costs the City nearly three (3) million dollars per year, when factoring in fringe benefits, as well as the overtime and other contractual emoluments.

**UNION POSITION:**

The Union proposes wage increases of:

2023	3.50%
2024	3.50%
2025	3.50%
2026	3.50%

The Union also proposes a \$1500 signing bonus to each bargaining unit member.

The Union argues that the Fact Finder must consider the ARPA monies which will be available to fund increases, as well as the fact that employee wages, taking into account past increases of 2.5% in the last three years, have not kept pace with inflation and the Northeast Region Consumer Price Index. Finally, the Union proposes fair wage increases that will not be eroded by the City's proposal regarding significant increases in employee premium share.

**RECOMMENDATION AND RATIONALE:**

I have thoroughly reviewed the documentation and arguments provided by both sides. The final Recommendation must take into consideration the Healthcare proposal, specifically the proposed increases in the employee share of the premiums. The City proposes gradually increasing the employee share, whereas the Union proposes pay raises that are not eroded by the increased premium share. Care must be taken to recommend a delicate balance, based on the evidence submitted, including the facts that the employees have received 2.5% increases in recent years (albeit agreed to); that ARPA monies have helped to a degree the City's budgetary situation; that a high poverty level plus a high tax burden exists in the City, and additionally, the Unit's classifications are fairly compensated in relation to comparative municipalities' classifications, as provided. I find it significant that this Unit's wage increases compared to CPI have moderately exceeded the CPI from 2010 to 2020, but in the previous two (2) years of 2021 and 2022, there was a substantial negative difference concerning the employee's actual earnings power. Additionally this is exacerbated by the unprecedented inflation rate of the last six (6) to nine (9) months which does not show signs of letting up, nor can anyone predict when it will return to a reasonable rate. Finally, while I appreciate the information provided by the City which indicates that actual W-2 wages are higher than the actual hourly wage rate, I must also consider that these W-2 figures include the fact that the employees worked additional hours and shifts above and beyond, in order to reach that level of annual income.

The following Recommendation is made with two understandings. First, I recommend the first pay rate increase take effect *with retroactivity to January 1, 2023*, contrasted with the Recommendation of the effective *date of July 1, 2023 increase in employee premium shares*.

Secondly, the last year (2025) recommended increase is January 1, 2025, to provide a “buffer” and to be taken into consideration of a larger, but *delayed increase in employee healthcare premium shares*, recommended to be effective July 1, 2025.

Therefore I make the following Recommendation:

2023	3.25% increase (retroactive to apply to all employees employed at the time of the issuance of the Report)
2024	3.25% increase effective January 1, 2024
2025	3.50% increase effective January 1, 2025

Finally, I recommend rejection of the proposal to pay a signing bonus.

The chart reflecting the recommended raises to the current Classifications is attached.

## **8. ARTICLE 37- GENERAL PROVISIONS**

### **CITY POSITION:**

The City proposes a three (3) year contract and to delete language that was applicable to employees and situations pertaining to the wastewater treatment plant, but is no longer necessary.

### **UNION POSITION:**

The Union proposes a four (4) year contract retroactive to January 1, 2023.

### **RECOMMENDATION AND RATIONALE:**

As specified in the Pay Rate and HealthCare and Life Insurance Articles, I recommend adopting a three (3) year term of Agreement, given the uncertain economic circumstances. I also recommend adopting the City-proposed language changes to this Article relating to the deletion of the wastewater treatment plant, in total.

<b>Classification</b>	<b>Current</b>	<b>1/2023</b>	<b>1/2024</b>	<b>1/2025</b>
		<b>3.25%</b>	<b>3.25%</b>	<b>3.50%</b>
<b>Janitor (PT)</b>	13.70	14.15	14.61	15.12
<b>Custodian</b>	19.79	20.43	21.09	21.83
<b>Laborer</b>	22.43	23.16	23.91	24.75
<b>Rec.Mt.Worker</b>	22.43	23.16	23.91	24.75
<b>Env. Worker</b>	22.43	23.16	23.91	24.75
<b>Health Tech/Int.</b>	22.43	23.16	23.91	24.75
<b>DT.Maint. Worker</b>	22.43	23.16	23.91	24.75
<b>ParK. Meter. Serv. Pers.</b>	22.43	23.16	23.91	24.75
<b>Build.Maint. Worker 1</b>	22.77	23.51	24.27	25.12
<b>Concrete Worker 1</b>	22.77	23.51	24.27	25.12
<b>Painter 1</b>	22.77	23.51	24.27	25.12
<b>Equip.Operator 1</b>	22.97	23.72	24.49	25.35
<b>Park Maint Eq. Op.1</b>	22.97	23.72	24.49	25.35
<b>Build.Maint. Worker II</b>	23.56	24.33	25.12	26.00
<b>Painter II</b>	23.56	24.33	25.12	26.00
<b>Concrete Worker II</b>	23.56	24.33	25.12	26.00
<b>Parks Utility Tech.</b>	23.84	24.61	25.41	26.30
<b>Equip. Operator II</b>	23.84	24.61	25.41	26.30
<b>Park.Bur. Maint. Mech.</b>	25.01	25.82	26.66	27.59
<b>Concrete Crew Leader</b>	25.39	26.22	27.07	28.02
<b>Equip.Operator III</b>	25.39	26.22	27.07	28.02
<b>Auto Mechanic II</b>	25.39	26.22	27.07	28.02
<b>Forester Crew Leader</b>	25.39	26.22	27.07	28.02
<b>Constr. Crew Leader</b>	25.39	26.22	27.07	28.02
<b>Park.Bu.Maint.Cr.Lead.</b>	25.39	26.22	27.07	28.02
<b>Build. Maint. Cr. Lead.</b>	25.94	26.78	27.65	28.62

**ALL OTHER MATTERS:**

Any other matters not specifically addressed are recommended to be **withdrawn**. Additionally, as noted above, any tentative agreements mutually made prior to the commencement of fact finding that are not specifically addressed in this Report are recommended to be **included**, as agreed upon, in the new Agreement.

January 30, 2023

Allentown, PA

Respectfully submitted,

Larry D. Cheskawich, Fact Finder

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