

**\*\*\*\*\* Press Release\*\*\*\*\***  
**September 19, 2016**

In response to Mayor Horrigan's introduction of legislation to Akron City Council's Budget and Finance Committee, proposing immediate changes to the healthcare benefits coverage for all retired employees of the City of Akron, the City's four bargaining groups (Civil Service Personnel Association, Inc., AFSCME Local 1360 and AFSCME Ohio Council 8, International Association of Firefighters Local 330 and the Fraternal Order of Police, Akron Lodge #7), collectively issue the following response.

The collective labor groups are shocked and dismayed that the City of Akron would enter legislation to City Council concerning healthcare reform not more than two months after ratifying labor contracts with all concerned. After many months of meetings between the City of Akron and the labor unions discussing the financial impact of the City's archaic healthcare plan and the need to incorporate a plan acceptable to the Federal Government's healthcare reform act, the labor unions collectively hired, at their own expense, a national company familiar with the new federally mandated healthcare regulations while taking into account the City's need for financial savings.

One year ago in the summer of 2015, the unions collectively met with the Segal Group and identified 8 key objectives for a new healthcare plan for all active and retired City employees. These 8 objectives were:

1. Modernize the medical plan to allow for competitive bidding
2. Maintain a highly competitive plan while preserving the value of the benefit for City of Akron employees
3. Simplify plan design for more effective and efficient use
4. Produce substantial savings for the City
5. Improve employee health and consumerism
6. Defer any excise taxes
7. Simplify the retiree healthcare benefit
8. Negotiate health plan changes with wages

On September 11, 2015, the labor groups presented a comprehensive healthcare package proposal to the City of Akron, which met all of the above-mentioned objectives. After reviewing the labor unions proposal, the City of Akron bargaining representatives threw out their own consultants plan and negotiated a plan for Akron employees with plan design savings of 12 to 15 million dollars, adjusted for inflation, over a 3 year period. The newly agreed to plan was ratified by all four bargaining groups at the beginning of 2016 with an effective change date of April 1, 2016.

Unfortunately, while the unions were actively engaged in contract talks with the City regarding retiree healthcare (a mandatory subject of bargaining), the City engaged in “bad faith” negotiations by secretly forming a select group of people tasked with formulating legislation to reform retiree healthcare, circumventing the negotiating process as defined by Ohio state law. Our retirees have earned, at the very least are owed, an acceptable benefit plan that has been agreed upon and signed by the City without unfair, unrecognized and modifications that are a clear violation of all four union’s collective bargaining agreements recently signed by the City.

The Unions have a long history of willingness to listen and engage in conversation on matters of mutual concern for the purpose of promoting cooperation and harmonious relations between the City of Akron Administration and the collective bargaining groups.