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May 12, 2020

VIA EMAIL ONLY

Anthony Hyatt
President
International Association of Fire Fighters, Local 639
tonyhyatt@netzero.net

Re: City of Parma/International Association of Fire Fighters Unit COVID-19 Fiscal Emergency Actions

Dear Anthony:

The actions of the State of Ohio and the federal government in response to the COVID-19 emergency have had, and will continue to have, a significant, negative affect on local government revenues in 2020 and, likely, thereafter. As of May 8, 2020, the City of Parma projects that it will lose \$5,012,942 in 2020 budgeted revenue.

To address this unforeseen and drastic revenue reduction, the City declared a State of Emergency, implemented dozens of temporary layoffs of union and non-union employees, implemented an adjustment to the pay of non-union employees and elected officials to eliminate the 27th Pay, and froze all hiring and discretionary spending. The City also identified a further \$2.4 million in 2020 budget cuts and continues to look for additional savings.

In light of the enormity of the current economic crisis, and despite the drastic cost cutting measures already taken, the City must implement further cuts to the wage costs of all its union and non-union employees. Based on current financial data, the City requires cuts from the IAFF bargaining unit of at least \$561,792 through the remainder of 2020. Under its reserved management rights, the City has several options available including implementing staff reductions, demotions, adjustments to accommodate the 27th Pay Period calculation, and/or layoffs. It is the City's intent to maintain IAFF bargaining unit members' employment and benefits, but the circumstances require immediate action.

Please contact me at pjh@zrlaw.com, 216.696.4441 (office), or 216.372.8660 (cell) no later than 5:00 p.m. on Friday, May 15, 2020 to discuss this matter. If I do not hear from you by that date and time, the City will conclude that the IAFF wishes the City to proceed with the necessary cost cutting measures in accordance with its contractual rights.

I look forward to hearing from you.

Very truly yours,

ZASHIN & RICH CO., L.P.A.

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Patrick J. Hoban

PJH/jmc

cc: City of Parma

