

BEFORE THE
STATE EMPLOYMENT RELATIONS BOARD
CASE NO. 01-MED-10-0954

STATE EMPLOYMENT
RELATIONS BOARD
2002 MAY 20 A 10:28

MEDINA COUNTY SHERIFF *
EMPLOYER *
AND * FACT FINDER'S REPORT
OHIO PATROLMEN'S BENEVOLENT *
ASSOCIATION *
UNION *

I. DATE AND PLACE OF HEARING

This hearing was held on May 7, 2002 at the County Administration Building in Medina, Ohio. The site was agreed upon between the parties.

II. PARTIES

The employees are Medina County Sheriff Communications Technicians, referred to herein as Dispatchers. The Ohio Patrolmen's Benevolent Association is their representative.

The Employer is the Medina County Sheriff, Neil Hassinger.

III. APPEARANCES

The following appeared on behalf of the respective party as noted:

For the Union:

S. Randall Weltman, Attorney
Bruce Cornelius, OPBA Director

For the Employer:

Gary C. Johnson, Attorney

Kenneth Baca, Captain, Medina Sheriff's Department
Tom Miller, Deputy Sheriff, Medina County

IV. INTRODUCTION

This unit is consists of 16 Dispatchers. The union is certified as their bargaining representative. The collective bargaining agreement between the parties expired on December 31, 2002.

The parties resolved many issues during their bargaining sessions. However, the major economic issues remain at impasse. The parties stipulated that the only issues unresolved as a result of bargaining were those issues presented for fact finding.

V. ISSUES PRESENTED

Five (5) issues were identified for fact finding.

They are:

1. Health Insurance- The Employer sought to modify the existing health insurance program by increasing the deductibles and the co-pays on prescription benefits. In addition, the Employer proposed to increase the premium contribution on the family plan members.
2. Rates of Pay- the Union requested a 6% increase in each of the 3 years of the contract and the Employer countered with a 3% increase in each of the years.

3. Holiday Pay- The Union sought to increase the number of personal days from 2 to 3 and to remove the requirement of advance approval. The Union also sought holiday pay at the rate of 2 1/2 times their regular rate.
4. Uniform Allowance- the Union sought an increase in the allowance and deletion of the clauses prorating the payment for the calendar year and requiring all uniforms to be turned in upon termination of employment.
5. Officer In Charge: The Union requested a designation for the senior dispatcher on duty and that such designee receive a premium pay adjustment.

VI. FACT FINDING

a. Consideration of Factors

The Fact Finder considered all relevant and reliable information introduced by the parties in support of their respective positions. In addition, consideration, pursuant to Rule 4117-9-05(J), was given to the following:

- a. past collectively bargained agreements between the parties (there was none);
- b. Comparison of unresolved issues with other public employees doing comparable work;

- c. Consideration of factors peculiar to the area and classification;
- d. The interest and welfare of the public;
- e. Ability of the employer to finance and administer the issues proposed;
- f. Effect of the adjustments on the normal standard of public service;
- g. The lawful authority of the employer;
- h. Stipulations between the parties;
- i. Any other factors, not listed above, which are normally taken into consideration in the determination of issues submitted to mutually agreed-upon dispute settlement procedures in the public service or in private employment.

b. Exhibits

The Employer introduced the following exhibits, all of which were admitted.

- Exhibit A: Collective Bargaining Agreement
- Exhibit B: Holiday Comparison
- Exhibit C: Wage Comparison Chart
- Exhibit D: Letter Ruling of August 19, 1994
- Exhibit E: Uniform Allowance Comparison Chart
- Exhibit F: Health Insurance Comparison Chart

The Union re-introduced the same exhibits used in the Fact Finding hearing between the Employer and the Deputies held on March 14, 2002. Likewise, the Employer incorporated the exhibits it used during the same hearing to the extent the Exhibits A through F do not include them.

All such exhibits were received and referred to in drafting the following recommendations.

STIPULATIONS

The parties agreed that they will "me too" many of the issues remaining outstanding on the basis of the conciliation decision to be issued in the Deputies case set for hearing on May 20, 2002. The following issues were the only issues presented at this Fact Finding hearing, and though the parties agreed to "me too" both the health insurance and wage issues, the Fact Finder has elected to issue a written recommendation as a basis for his recommendation.

ISSUE NO. 1

ARTICLE XXII

INSURANCES

A. OPTICAL COVERAGE

UNION PROPOSAL & POSITION: The Union proposed the addition of optical benefits to Section 22.03 to include an annual optical exam for each family member, a benefit of up to \$300 for each family member for the purchase of glasses or contact lenses, and payment of corrective eye surgery (laser) for the member.

EMPLOYER POSITION: The Employer opposed the addition of optical benefits.

DISCUSSION: This benefit is enjoyed by approximately half of all public employees in the State of Ohio (Union Exhibits 1 & 2) The cost of optical care, according to the Union, is \$12.24 per employee or \$165.12 per family per year. The Employer did not submit any cost computations and readily admitted that it had the ability to pay for this benefit, but was unwilling to do so.

The reasons given for the inclusion of this benefit into the new contract are not compelling. Corrective laser surgery is an option in most cases and not a necessity.

While the cost of this added benefit is modest and the fact that the Employer has the ability to pay, the Employer is faced with the dilemma of rising health care costs and the Fact Finder has deemed that keeping the same medical care benefits at as little additional costs to the participants more important than adding an attractive, but unnecessary benefit.

RECOMMENDATION: It is the recommendation of the Fact Finder that optical benefits not be included in the new agreement.

B. INCREASING CO-PAY AND DEDUCTIBLES

EMPLOYER PROPOSAL & POSITION: The Employer proposed to raise the co-pays and deductibles under the current healthcare plan in order to lessen the impact of increased costs.

The Employer is seeking to have a single plan with the same features in effect for all county workers since this is a self funded plan through a third party administrator and argued that two groups, the Sanitary Engineer and the MR/DD employees accepted the proposal suggested herein.

UNION POSITION: The Union was against any changes in costs to its members for health care benefits.

DISCUSSION: The Employer proposed to increase deductibles from \$100 to \$250 net work and \$500 non-network on single plan and from \$200 to \$500 net work and \$1,000 non-network on family plan; out of pocket maximums on family plans would rise from \$600 to \$1,000 on a family plan for network usage and from \$1,200 to \$2,000 for non-network use. Single plan out of pocket maximums would not be increased; prescription drug co-pays would be increased from \$5 on brand names to \$12 and from \$0 to \$6 on generic prescriptions with yearly out of pocket maximums limited to \$250 single and \$500 family. The increases were sought to help offset an expected rise to \$6,252.73 per employee in calendar year 2001, a \$1,250 increase per employee from the previous year. (Employer Exhibit 1)

No comparisons were provided between the costs to the Medina dispatchers and the costs paid by the dispatchers in comparable counties, but it must be assumed that no distinctions are made between the benefits and costs

provided all employees in the same office. As determined in the Deputies fact finders report, health care benefits provided the deputies in other counties in Northeastern Ohio are similar to those provided herein.

Medical costs are increasing throughout Ohio as elsewhere. Between 2000 and 2001 Medina County experienced a 37% increase in medical benefit costs. Those costs are expected to continue to rise in the near future.

The Employer did not defend its decision to seek changes to the contribution, premium cost and co-pay formula on an inability to absorb the increasing medical benefit costs. Though medical benefit costs have increased over the past 2 years, the Employer can afford to absorb those increases without reducing benefit levels, particularly in view of the total economic package offered by the Employer and recommended herein.

A simple analysis of the costs to the employees indicates that a 3-year Dispatcher is paid \$31,632. A 6% increase would amount to a raise of \$1,898 per year; a 4% increase in a \$1,265 raise and a 3% raise, as offered by the Employer, in a \$949 raise. A family plan member can potentially increase his medical expenses by \$640 (\$240 premiums, and \$400 in out of pocket expenses) without guesstimating the increases due to rising prescription drug co-pay expenses. For example, a family member on a

maintenance prescription drug, would add another \$84 per year or \$724 to the employees living expenses, which he/she is not now paying. Suddenly a 6% raise is transformed into a 2.2% increase worth only \$ 696 and a 4% (as recommended for the deputies) increase is worth only \$544 or 1.7%. A 3% increase as offered by the Employer might result in a net loss to many unit members.

An increase in premium costs can help offset the Employer's increasing medical costs and, at the same time, permit a meaningful, but modest wage increase for the unit members.

RECOMMENDATION: It is the recommendation of the Fact Finder that no changes be made to the co-pay, deductible and prescription drug provisions of the labor agreement.

C. PREMIUM CONTRIBUTIONS

EMPLOYER PROPOSAL & POSITION: The Employer proposed to increase the employee premium contributions with family plan coverage from \$30 to \$50 per month. No raises were sought for single participants

UNION POSITION: The Union opposed changes in the contribution rates.

DISCUSSION: The Employer suggested that increases in the premium contribution rates were necessary to offset spiraling medical costs of the self funded plan. The

leveling of medical costs experienced in the latter half of the last decade may, in fact, be at an end and that an adjustment in contribution rates may be necessary. The Union argued that the increase in costs experienced in the last two years in comparison with the level costs of the previous 5 years was a mere "blip" in the overall picture.

Increasing medical costs over the past 2 years are more than a mere "blip". Increases are being felt throughout Ohio. The recommendation made in the previous section assures that benefit levels will remain the same without additional costs to the unit. Those members using the health care coverage the most are probably the least likely able to afford them and they should not be called upon to pay the actual costs associated with increased usage. However, some adjustment in premium contribution rates is warranted in order to offset the increases in costs.

A major consideration in making this recommendation is the ability of the Employer to absorb the increased medical costs.

RECOMMENDATION: It is recommended that premium contribution rates be increased for family plan users to \$40 commencing January 1, 2003 and to \$50 per month commencing January 1, 2004. Though no increase for single plan users was requested, an increase in the employee contribution from \$20 per month to \$25 per month beginning

January 1, 2003 and \$30 per month beginning January 1 2004 is reasonable and thus recommended.

ISSUE NO. 2

RATES OF PAY

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UNION PROPOSAL AND POSITION: The Union requested a 6% increase in each of the 3 years of the agreement.

EMPLOYER POSITION: The Employer countered by offering a 3% increase in each of the years of the contract.

DISCUSSION: The Union cited the sound financial position of the County and the pay scales of deputies in Lake and Geauga Counties in support of its position seeking 6% increases.

In point of fact, Medina County is in sound financial condition and has the ability to pay a reasonable wage increase to the dispatchers. However, the ability to pay does not automatically entitle this unit or any other unit to the increase demanded. The dispatchers rank on the same level as the Wadsworth, Medina City and Brunswick dispatchers, ahead of both Ashland and Wayne dispatchers and below Lorain and Summit dispatchers.

The Consumer Price Index rose only 1.1% over a 12 month period ending in January. Economists are predicting the core portion of the CPI to rise less rapidly than the 2.6% of the last 12 months.

The following wage recommendation regarding wages takes into consideration raising only the premium contributions on medical expenses and leaving deductibles and co-pays as is.

RECOMMENDATION: The Fact Finder recommends that wages for deputies be increased 4%, 3.5% and 3.5% respectively in the three years of the contract.

ISSUE NO 3

UNIFORM MAINTENANCE ALLOWANCE

ART. XXI

UNION PROPOSAL AND POSITION: The Union proposed that uniform allowances be increased from \$625 to \$700 for new hires, to \$800 for all other dispatchers and deletion of Section 21.03 prorating the allowance and requiring uniforms to be surrendered upon termination of employment.

EMPLOYER POSITION: The Employer was not amenable to any increases in the uniform allowance and prorations or requirement to surrender uniforms upon cessation of employment.

DISCUSSION: No evidence of increasing uniform costs were introduced in support of increasing this allowance. Once untaxed benefit, the IRS is now taxing the allowance as income. This benefit was intended to offset the costs of uniforms which would have no use outside of the job. It does not seem likely that a Dispatcher will exceed the allowance in outfitting herself/himself throughout the year The

uniform allowance too often has been used as an economic tool, rather than to offset uniform costs, regardless of increasing costs. All too often public employers have used this allowance to camouflage wage increases.

Though the contract does not specify the date on which the allowance is paid, it, presumably, is paid early in the calendar year. While the requirement that uniforms be turned in upon the termination of employment places the Employer in the used clothing business, a dispatcher terminating his/her employment cannot continue to wear the uniform, and it is of no practical use.

RECOMMENDATION: The Fact Finder recommends against any changes in Article XXI of the agreement.

ISSUE NO. 4

HOLIDAY PAY

ART. XV

UNION PROPOSAL & POSITION: The Union proposed to modify Section Section 15.04 and increase the number of personal days from 2 to 3 and eliminate the requirement of advance approval. The Union also sought to modify Section 15.05 and require premium payment for working any of the holidays designated in Section 15.01 and add that employees who work more than 8 hours on any holiday for work a holiday on their

scheduled day off shall be entitled to time and one half the holiday premium pay for all such hours worked

EMPLOYER POSITTION: The Employer opposed any changes to the Holiday pay clauses.

RECOMMENDATION: The Fact Finder recommends against increasing the number of personal days to 3. The following change to Section 15.05 is hereby recommended: "Employees who work more than 8 hours on one of the holidays mentioned mentioned in Section 15.01 shall be paid two times their regular rate of pay for all hours worked in excess of 8 hours. Employees who are called in to work on their regularlyscheduled day off to work on one of the aforementioned holidays shall be paid two times their regular hourly rate, provided the time worked would otherwise qualify for the overtime rate of pay."

OFFICER IN CHARGE

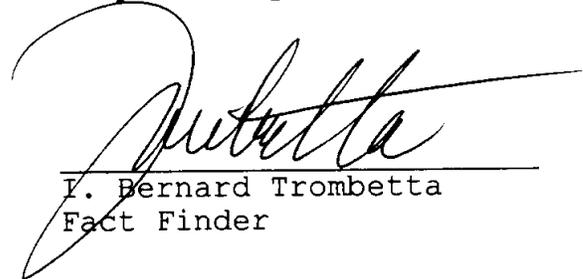
NEW ARTICLE

UNION PROPOSAL & POSITION: The Union proposed that one of the dispatchers be designated as an "officer in charge" during each shift and that the designated person receive additional compensation.

EMPLOYER POSITION: The Employer opposed any such designation.

RECOMMENDATION: The Fact Finder recommends against the designation of a Dispatcher as an Officer In Charge.

Respectfully submitted,



I. Bernard Trombetta
Fact Finder

SERVICE

A copy of the foregoing Fact Finder's Report was served upon S. Randall Weltman, Attorney for Union, 1228 Euclid Avenue, 9th Floor, Cleveland, Ohio 44115 and upon Gary C. Johnson, Attorney for Employer, 1001 Lakeside Avenue, #1700, Cleveland, Ohio 44114 on this 15th day of May, 2002 by ordinary U.S. Mail.

