

IN THE MATTER OF FACT-FINDING PROCEEDING

STATE EMPLOYMENT
RELATIONS BOARD

BETWEEN

2005 DEC -7 A 11: 24

Mahoning County Child Support
Enforcement Agency

(Case No.: 04-MED-10-1108

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And

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(Date of Hearing: November 7, 2005

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AFSCME Ohio Council 8
Local 3577

(Findings and Recommendations:

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December 7, 2005

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Representing the Employer:

Sandy Conley
Account Manager

Representing the Union:

James M. Adams, Jr.
Staff Representative

William J. Miller, Jr.
Fact-Finder

SUBMISSION

This matter concerns fact-finding proceedings between the Mahoning County Child Support Enforcement Agency (hereafter referred to as the "Employer") and AFSCME Ohio Council 8, Local 3577 (hereafter referred to as the "Union"). The State Employment Relations Board (SERB) duly appointed William J. Miller, Jr. as Fact-Finder in this matter. The parties agreed to extend the submission of this report until December 7, 2005.

The fact-finding proceedings were conducted pursuant to the Ohio collective bargaining law, and the rules and regulations of the State Employment Relations Board as amended. Consideration was given to criteria listed in Rule 4117-9-05 (J) of the State Employment Relations Board, as amended. The Employer and Union previously engaged in the collective bargaining process before the appointment of a fact-finder. The negotiations were unsuccessful, and fact-finding occurred on November 7, 2005. The following issues were considered during fact-finding:

1. Wages
2. Health Care

Issue No. 1: WAGES

EMPLOYER POSITION

It is the position of the Employer that there be a wage freeze for the year 2005. For the year 2006, the Employer proposes a wage increase of 15 cents (\$.15) per hour. For 2006 the Employer would pick up and pay the one-half percent (1/2 %) increase in the employee's contribution to P.E.R.S. For the year 2007, the Employer proposes that wages again be frozen, but the Employer would pick up and pay an additional (1/2 %) increase in the employee's contribution to P.E.R.S. It is the contention of the Employer that its position is reasonable, based on the fact that this bargaining unit has an Agreement which provides a fair compensation package. The Employer would point out this becomes clear when comparable Agreements are reviewed and considered.

UNION POSITION

The Union's position concerning this issue is that a wage freeze would be appropriate for the year 2005, but because of such wage freeze, and what is being requested by the Employer regarding health care coverage costs, the Union would request a 5% across the board increase for 2006, and a 5% across the board increase for 2007. According to the Union, these increases are necessary for employees to be able to meet the request of the Employer regarding health care, and to continue to maintain a decent standard of living.

FINDINGS AND RECOMMENDATIONS

I have carefully considered the contentions and positions of the parties. Undoubtedly, as has been clearly pointed out by the Union, the request being made by the Employer related to health care contribution by employees and a freezing of wages for the year 2005, with minimal projected wage increases, has made it very difficult for bargaining unit employees. This is considered in conjunction with the Employer's budgetary constraints, coupled with the contention of the Employer that this bargaining unit compares favorably to other similarly situated bargaining units. This being the case, it is absolutely necessary to provide for an Agreement resolution which is balanced, while being equitable to the bargaining unit employees, with the aspect of cost restraint in place for the Employer. I would therefore make the following recommendations regarding wages. For the year 2005, a wage freeze would be appropriate. For the year 2006, I would propose a one and one half percent (1½%) percent across the board wage increase.

Also, for the year 2006, I would propose the Employer pick up and pay the one-half percent (1/2 %) increase in the employee's contribution to P.E.R.S. For the year 2007, I would propose a one percent (1%) across the board increase effective January 1, 2007, and a one percent (1%) across the board increases effective July 1, 2007. I would also propose the Employer pick up and pay the one-half percent (1/2 %) increase in the employee's contribution to the P.E.R.S.

Issue No. 2 INSURANCE COVERAGE

EMPLOYER POSITION

It is the position of the Employer that regarding health care, it is necessary for employees in the bargaining unit to begin to make a contribution to health care costs. The Employer contends this is absolutely necessary to have a contribution by members of the bargaining unit. It believes its requested contribution amount of 10% of the premium cost is reasonable under the circumstances, and comparable with other similarly situated bargaining unit employees in other counties located throughout the state. The Employer requests that such contributions by employee commence for the 2006 calendar year.

UNION POSITION

The Union recognizes the problems which have occurred with health care costs. It is because of the Union's understanding of the problems with health care costs that it has proposed to make a change in the existing contractual language. The Union has made a proposal for bargaining unit employees to make a contribution for health care in the

amount of ten percent (10%) of premium. However, it has been the position of the Union that while it would consider a 10% premium contribution, it would also propose that this 10% contribution be capped for the life of the Agreement. The Union contends while the 10% contribution would be reasonable under the existing circumstances, it would be unreasonable to expect the employees to be responsible for premium increases. Accordingly, the Union proposes a 10% contribution by employees for their health care costs, but this amount should be capped for the term of the Agreement.

FINDINGS AND RECOMMENDATIONS

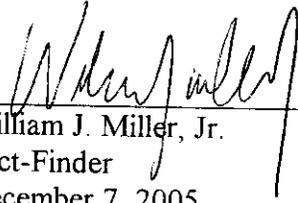
I have carefully reviewed the positions of the parties concerning health insurance costs. Undoubtedly, the Employer has been facing a severe burden with ever increasing health care costs. While the parties should continue to look for ways to find alternative forms of coverage which are less costly to the Employer, at this present time, based upon the consistent premium increases which have occurred, it is not unreasonable for the Employer to seek some form of contribution from employees for health care costs. Upon reviewing what has been occurring with respect to this issue in other areas throughout the state, it has not been unusual for employees to make contributions towards their health care costs in the amount of 10%. This amount would certainly provide much needed relief for the Employer in the area of health care costs. Furthermore, this amount would not be unreasonable under circumstances that have occurred with the rise of health care costs. While I clearly understand the concern of the Union with increases in health care costs that may occur in the future, it is my considered opinion it would not be

unreasonable to require employees to contribute 10% of the premium no matter what the premium may be for the term of this Agreement. Therefore, I would recommend the following Agreement language.

Section 25.02 Contribution Rates. Eligible employees may elect single or family coverage in plan year 2005 and the cost shall be paid by the Employer. Beginning January 1, 2006, the Employer shall contribute ninety percent (90%) and bargaining unit members shall contribute ten percent (10%) of the premium cost of health care coverage.

CONCLUSION

In conclusion this fact-finder submits his findings and recommendations as set forth herein.



William J. Miller, Jr.
Fact-Finder
December 7, 2005