

IN THE MATTER OF FACT-FINDING PROCEEDINGS STATE EMPLOYMENT  
RELATIONS BOARD

BETWEEN

2008 FEB -7 A 11: 26

Ashtabula County  
Nursing Home

( Case No. 07-MED-08-0788

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And

( Date of Hearing: January 25, 2008

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AFSCME OHIO COUNCIL 8  
Local 3284, AFL-CIO

( Findings and Recommendations

( February 5, 2008

Representing the Employer

Gary C. Johnson, Esq.  
Attorney

Representing the Union

Deborha Bindas  
Staff Representative

Charles Nicholls  
Fact-Finder

## **SUBMISSION**

This matter concerns fact-finding proceedings between the Ashtabula County Nursing Home (hereafter referred to as the "Employer") and AFSCME Local 3284 (hereafter referred to as the "Union"). The State Employment Relations Board (SERB) duly appointed Charles Nicholls as fact-finder in this matter.

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. The Employer and the Union previously engaged in the collective bargaining process as the result of a wage reopener before the appointment of this Fact-Finder. Therefore only one issue was considered during fact-finding: Wages

### **Issue: Wages**

#### **Employer Position**

It is the position of the Employer that the wage schedule should be increased by 1%, effective on the Union's ratification of the Fact-Finder's award. The Employer contends this would be appropriate and justified for numerous reasons. The Employer finds itself in the position of having to approach other bargaining units to forgo their scheduled increases for 2008 to avoid layoffs. One unit thus far has agreed to forgo their 2008 increase. The Nursing home is completely self supporting and operates on the revenue it generates, which is primarily Medicaid and Medicare. Furthermore the Home competes with private nursing homes, some of which pay much less in wages and benefits. The Employer argues it is increasingly difficult to compete and without relief may need to resort to layoffs and ultimately someday in the future, may need to consider closing the nursing home.

## **Union Position**

It is the Position of the Union that there should be a 4% increase effective retroactively to December 14, 2007. The Union contends that this increase is justified for a number of reasons. First, the Union points out that thus far in this agreement the employees have experienced a net decrease in take home pay due to a wage freeze in 2005 (with the exception of a longevity payment) even though the cost of living rose approximately 3%. In 2006, the bargaining unit received a 2% increase along with step increases, however concessions were given in overtime payment, call in pay, eliminated health care benefits for part timers, the elimination of weekend shift differentials, an increase in co-payments on the insurance premiums, and an increase in the employee's contribution to PERS of .5 %, resulting in a net decrease in take home pay.

The Union points out that the wage increases in 2005 and 2006 were below annual wage increases in the nearby regions and below other collective bargaining units with the same Employer (Ashtabula County) which were approximately 3% to 3.5 %. Also, the Union argues that a comparable nearby nursing home pays LPN's a higher starting rate. Finally, the Union points out that the consumer price index in December 2007 was 4.1% higher than December 2006. For all these reasons, the Union feels that its proposal of a 4% increase is not unreasonable.

## **FINDINGS AND RECOMMENDATIONS**

I have carefully considered the positions of both the Union and the Employer. The Union's position and presentation is compelling. The evidence presented is factual.

However, the Employer's position cannot be discounted. Medicare and Medicaid reimbursements are and have been frozen or are decreasing, while costs have been

increasing. Competition, rising costs, and a declining economy within the county is a reality and the decline in county nursing homes across Ohio is testimony to the fact that it is increasingly difficult for counties to continue to operate nursing homes. The Employer insists that it simply does not have the money to pay what the Union is asking. It is my considered opinion, based upon the evidence and testimony presented, that the Employer has a very compelling and persuasive argument.

However, this Fact-Finder recognizes the quality and dedication of the employees to their patients. Ashtabula is proud (and should be) of the caliber of employees staffing the home. In recognition of that fact, and based upon the entire record and the positions of the parties, it is my recommendation that Section 41.1 be modified to read: "Effective December 14, 2007, all bargaining unit members shall receive a 2% increase on their current hourly rate."

## CONCLUSION

In conclusion this Fact-Finder submits his finding and recommendation as set forth herein.



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Charles Nicholls

Fact-Finder

February 5, 2008