Before Louis V. Imundo, Jr., Fact Finder

[PUBLIC] EMPLOYMENT RELATIONS BOARD

2008 DEC 11 A 11: 34

In the matter of fact finding between

The Darke County Sheriff's Office

and

The Fraternal Order Of Police, Ohio Labor Council, Inc.

SERB Case No. ~~2005-MED-07-0724~~ 2008-MED-07-0709

The Fact-Finder was jointly selected by the Parties.

This matter was heard before Louis V. Imundo, Jr., Fact-Finder, in Greenville, Ohio on November 26, 2008.

1.0 Introduction

1.1 Appearing For The Sheriff

- Brett A. Geary, Regional Manager, Clemens -Nelson & Associates, Inc.
- Kelly E. Babcock, Account Manager, Clemens- Nelson & Associates, Inc.
- W. E. Grice, Chief Deputy

1.2 Appearing For The FOP

- Tom Fehr, Staff Representative
- Mark Whittaker, Sergeant
- David Hawes, Deputy
- Kim Krick, Dispatcher
- Stacy Trissel, Corrections Officer

2.0 Unresolved Issues

Article 21 – Health & Life Insurance

Article 22 - Wages

3.0 Findings & Recommendations

Article 21 – Health & Life Insurance, Section 21.1

The FOP proposed that there be no changes to this Article except that employees' contributions remain at sixteen percent (16%) for a family plan and six percent (6%) for a single plan for the life of the Agreement.

Management proposed that bargaining unit employees receive the same benefits as all other County employees. Management further proposed that bargaining unit employees contribute the same percentages for premiums as non-bargaining unit employees for the life of the Agreement.

Historically, the vast majority of public sector employers in Ohio have provided their employees with excellent healthcare insurance. Historically, public sector, and in particular safety service employees paid a very small percentage or a very low dollar amount for their healthcare insurance. The majority of public sector employers could afford to provide excellent healthcare insurance at little or no cost to employees because Ohio's primarily manufacturing based economy was thriving. More than 20 years ago Ohio's financial landscape began to change. Ohio has gone from economic prosperity to an economic abyss with no bottom in sight. While some counties, particularly those in eastern Ohio have fared far worse than others, no county has remained unscathed by the loss of good paying jobs. The primary reasons for what has occurred is outsourcing, unfair trade agreements, and ill conceived tax policies. Add to this mix corporate greed, Wall Street corruption, incompetent political leaders, diminished sense of rationalism, an education system that has misdirected priorities and what results is a dire and troubling situation.

In the Fact Finder's opinion, in view of current economic conditions in Ohio, which may not significantly improve in the next few years and may get worse before they start to improve, public sector employers must be more vigilant than ever in determining how to spend the monies they receive from all sources.

In the Fact Finder's opinion, while the County appears to have adequate funds to maintain all services provided to citizens at their current levels the levels of future revenue streams appear to be uncertain because of the loss of jobs, plant closures, and declining property values. The fact that the County has been able to avoid layoffs, maintain current levels of services, and not seek give backs from employees is a credit to the Commissioners and the County's dedicated, hard working employees.

Darke County, like every other private and public sector employer has been confronted by seemingly endless increases in healthcare insurance costs. The primary beneficiaries of the increased revenue flows to healthcare insurance providers has been the insurance providers who are far more concerned about profit margins, executive pay, and stock options than they are about their role in society and the public's welfare. Only the largest employers have been able to effectively deal with greedy, mismanaged healthcare insurance providers. Smaller employers, like Darke County were powerless to effectively negotiate with healthcare insurance providers. This changed in 2006 when the County commissioners wisely decided to join CEBCO, a consortium of 20 counties who have joined together to negotiate and contract for healthcare insurance benefits. However, even with this joining of forces the County has seen healthcare insurance premium costs increase at a faster pace than increases in revenues to pay the premium costs. The bottom line is that in order to continue to provide employees with the level of healthcare insurance they have had and that they want to continue to have, employees must pay a little more than what they have been paying. The Fact Finder recognizes that no bargaining unit employee is going to embrace the idea that it will cost him/her more for their healthcare insurance, but the economic facts cannot be ignored.

The Fact Finder has reviewed the Parties' submissions and arguments and recommends that employees' percentage contributions to their healthcare insurance premiums be increased as follows:

<u>2009 & 2010</u>
Individual: 6.5 percent & Family: 16.5 percent

<u>2011</u>
Individual: 7.0 percent & Family: 17.0 percent

The Fact Finder recommends that Article 21, Section 21.1's language read as follows:

A. The Employer will maintain substantially comparable health insurance benefits at current benefit levels for the life of this Agreement. Current Benefit levels are defined as the 1998 Plan Book and all amendments thereto effective on or before October 21, 2008.

B. For calendar years 2009 and 2010, the Employer shall pay ninety three and one half percent (93.5%) of the total monthly insurance premium for an employee only policy or eighty three and one half percent (83.5%) of the total monthly insurance premium for a family health insurance plan or other multi-member plan, if available. For the first full contract year, the employee's share of the cost of health insurance shall be six and one half percent (6.5%) of the total monthly insurance premium for an employee only plan and sixteen and one half percent (16.5%) of the total monthly insurance premium for a family insurance plan or other multi-member plan, if available.

C. For calendar year 2011, the Employer shall pay ninety three percent (93%) of the total monthly insurance premium for an employee only policy or eighty three percent (83 percent) of the total monthly insurance premium for a family health insurance plan or other multi-member plan, if available. For the second full contract year, the employee's share of the cost of health insurance shall be seven percent (7%) of the total monthly insurance premium for an employee only plan and seventeen percent (17%) of the total monthly insurance premium for a family insurance plan or other multi-member plan, if available.

D. Payment of the employee's share of health insurance premiums shall be made through payroll deduction.

E. Should more than one insurance plan option be made available to employees, the Employer and Employee percentages of insurance premiums set forth in paragraphs B and C above shall be applicable to the plan with benefits substantially comparable to the current plan as defined in paragraph A above.

Section 21.2 – Current Language

Section 21.3 – Current Language

Article 22 – Wages

Management proposed that bargaining unit employees' base hourly wage rates be increased by three percent (3%) per year for each year of the new Agreement. The wage increase would be retroactive to September 1, 2008, which reflects an additional seven weeks for each year of the new successor Agreement. Management proposed that the Field Training Officer receive an additional forty cents an hour ($0.40) to his/her base hourly wage rate for all time that he/she is assigned to do such work.

The FOP proposed that bargaining unit employees' base hourly wage rates be increased by four and one half percent (4.5%) for each year of the successor Agreement. The FOP proposed that the Field Training Officer receive an additional fifty cents an hour ($0.50) to his/her base hourly wage rate for all time that he/she is assigned to do such work.

The unprecedented rise in the price of oil, which was primarily due to manipulation of prices by traders resulted in a sudden and significant increase in the cost of many goods and services. This increased the rate of inflation for all consumers. This has been followed by a sudden and even more significant drop in the price of oil. This has largely been due to the global recession and the Congress considering more regulation of futures' traders. Gasoline prices have dramatically dropped and because of the recession the price of homes and just about everything else except for healthcare insurance and healthcare service fees has been coming down. The result is that the economy may actually be experiencing deflation.

Assuming that the economic recovery will be slow and the price of oil remains low and relatively stable this means that any wage increases in terms of purchasing power will be more than what they appear to be. The Fact Finder has reviewed the Parties' submissions and arguments and recommends the following percentage wage increases for the life of the successor agreement. Effective September 1, 2008, 3.25 percent; effective September 1, 2009, 3.0 percent; effective September 1, 2010, 3.0 percent.

The Fact Finder recommends Article 22's language read as follows:

Section 22.1 – Effective September 1, 2008, the base hourly rate of pay for bargaining unit employees shall be increased by three and one quarter percent (3.25%):

Class	Step 0	Step 1	Step 2	Step 3	Step 4
Cook	11.24	11.90	12.58	13.26	13.95
Dispatcher	12.43	13.48	14.50	15.54	16.62
Corrections Officer	13.88	14.88	15.92	16.93	17.98
Patrol Officer	16.20	17.41	18.61	19.79	21.03
Corrections Officer/Corporal	20.67				
Asst. Communications Coordinator	17.44				

Section 22.2 – Effective September 1, 2009, the base hourly rate of pay for bargaining unit employees shall be increased by three percent (3.0%).

Class	Step 0	Step 1	Step 2	Step 3	Step 4
Cook	11.58	12.26	12.96	13.66	14.37
Dispatcher	12.80	13.88	14.94	16.01	17.12
Corrections Officer	14.30	15.33	16.40	17.44	18.52
Patrol Officer	16.69	17.93	19.17	20.38	21.66
Corrections Officer/Corporal	21.29				
Asst. Communications Coordinator	17.96				

Section 22.3 – Effective September 1, 2010, the base hourly rate of pay for bargaining unit employees shall be increased by three percent (3.0%)

Class	Step 0	Step 1	Step 2	Step 3	Step 4
Cook	11.93	12.63	13.35	14.07	14.80
Dispatcher	13.18	14.30	15.39	16.49	17.63
Corrections Officer	14.73	15.79	16.89	17.96	19.08
Patrol Officer	17.09	18.47	19.75	20.99	22.31
Corrections Officer/Corporal	22.03				
Asst. Communications Coordinator	18.50				

Section 22.4 – Current language

Section 22.5 – Any employee assigned as a Detective shall receive a one dollar ($1.00) an hour stipend in addition to his/her base rate of pay for all hours worked in such status for the duration of the assignment.

Section 22.6 – Corrections Officer/Corporal shall have a wage rate set at a pay differential of fifteen percent (15%) above the top pay of a Corrections Officer.

Section 22.7 – Any employee assigned as a Field Training Officer shall receive a fifty cents ($0.50) an hour stipend in addition to his/her base rate of pay for all hours worked in such capacity for the duration of the assignment. Field Training Officer assignments shall be made solely at the discretion of the Employer.

December 10, 2008
Date

Louis V. Imundo, Jr.
Louis V. Imundo, Jr.
Fact Finder