

Background

The collective bargaining unit consists of full-time Dispatchers. There are approximately ten (10) members of the bargaining unit that is located in the Sheriff's Office in the City of Athens, Ohio.

The Agreement in question is between The Athens County Commissioners and the Ohio Patrolmen's Benevolent Association and its term, January 1, 2007 to December 31, 2009.

In compliance with Ohio Revised Code Section 4117.14. (C) (3), the State Employment Relations Board appointed Richard J. Colvin as fact finder in this matter, effective December 1, 2009.

The parties met in negotiations on November 18, 2008, and January 20, February 24 and March 17, 2010. The date of this fact-finding was **May 21, 2010**.

The parties reached a tentative agreement as to the following issues: Articles 1, 2, 3, 4, 5, 6, 7, 8, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 28, 29, 30, 31, 32, 33, 34, and 36. During the fact-finding, the parties reached agreement on these additional issues: Articles 9, 10, and 35. Language that was unmodified should remain as it was in the previous Agreement.

It is recommended that all Articles upon which agreement has been reached by and between the parties, that have been initialed and tentatively agreed to be

incorporated into this fact-finding report, and included in the resulting collective bargaining Agreement.

There are only two (2) remaining Articles upon which no agreement could be reached by the parties, **Article 26, Insurance** and **Article 27, Wage Schedule**.

The positions of the parties on these issues are:

Article 26 Insurance:

The Commissioners:

Proposal:

Section 26.1. The Employer shall contribute ninety (90%) percent and the Employee shall contribute ten (10%) percent of the total insurance premium for major medical, prescription, dental and vision for a single plan.

The Employer shall contribute **eighty (80%) percent and the Employee shall contribute twenty (20%) percent** of the total insurance premium for major medical, prescription, dental and vision for a family plan.

The County shall choose the carrier.

Section 26.2 The Employer agrees to provide and pay for a \$20,000 Life Policy.

The Union:

Proposal:

The Union proposes that the present first Section, Section 26.1, be deleted and replaced by the following language:

Section 26.1. The Employer shall continue to provide single and family health insurance benefits substantially equivalent to the level of benefits currently provided (as of January 1, 2010) for all health insurance benefits, including Medical/Major Medical/Prescription/Hospitalization, Dental and Optical.

Section 26.2. The Employer shall continue to pay the total single rate premium for the Medical/Major Medical/Prescription/Hospitalization insurance for all bargaining unit employees electing single coverage and not having similar Medical/Major Medical/ Prescription/Hospitalization insurance coverage elsewhere. The Employer shall continue to pay the total single rate premium for Optical and Dental insurance for all bargaining unit employees electing Optical and Dental insurance single coverage.

The Employer shall contribute/pay 90% of the family rate premium for the Medical/Major Medical/Hospitalization/Prescription insurance for all bargaining unit employees electing family coverage. The County shall choose the carrier. The Employer shall contribute/pay for family Dental and Optical insurance a dollar amount equal to the single plan premium plus fifty percent (50%) of the difference between the cost of the single and family Dental and Optical plans for employees electing family Dental and Optical coverage.

Section 26.3. The Employer shall provide and pay for a \$20,000.00 life insurance policy for each employee.

The Union argues that there are only two substantive changes proposed in Article 26. The remaining changes are non-substantive clarification/clean-up.

1. Add the requirement in 26.1 that health insurance benefits be “**substantially equivalent**” to those that the employees currently have.
2. As proposed in 26.2, **decrease** the premium contribution for employees with family-coverage for Medical/Major Medical/Hospitalization/Prescription insurance from 15% to 10%.
3. The Union proposes to maintain current language that employees with single coverage for such insurance not be required to contribute to the premium costs. Further, the Union seeks to maintain the current contract language on the premium contribution for vision and dental insurance. The life insurance amount specified by current contract language is not proposed to be changed.

Article 27 Wages:

The Commissioners: Wage Proposal (the first increase to be retroactive to the first full pay period following December 31, 2009):

| | | |
|-----------|----------|----|
| Year 2010 | Increase | 1% |
| Year 2011 | Increase | 2% |
| Year 2012 | Increase | 2% |

The Union: Wage Proposal:

| | | |
|-----------|----------|------|
| Year 2010 | Increase | 3.5% |
| Year 2011 | Increase | 3.5% |
| Year 2012 | Increase | 3.5% |

Analysis and Recommendations

Criteria

CRITERIA

When making his analysis and recommendations upon the unresolved issue(s), the Fact-Finder has been mindful of and has been guided by the criteria set forth in Ohio Revised Code Section § 4117.14 (C) (4) (e) and Ohio Administrative Code § 4117-9-05 (K).

- (1) Past collectively bargained agreements, if any, between the parties;
- (2) Comparison of the issues submitted to final offer settlement relative to the employees in the bargaining unit involved with those issues related to other public and private employees doing comparable work, giving consideration to factors peculiar to the area and classification involved;
- (3) The interest and welfare of the public, the ability of the public employer to finance and administer the issues proposed, and the effect of the adjustments on the normal standard of public service;
- (4) The lawful authority of the public employer;
- (5) The stipulation of the parties;
- (6) Such other facts, not confined to those listed in this section, which are normally or traditionally taken into consideration in the determination of the issues submitted to final offer settlement through voluntary collective bargaining, mediation, fact-finding, or other impasse resolution proceedings in the public service or private employment.

RECOMMENDATIONS:

The fact-finder prefaces his Recommendations by stating the he has received no argument from the Employer that the Employer is in financial distress. The parties have thoroughly analyzed the County's present financial position and sources of revenue. I find no compelling reason to anticipate that the

recommendations contained herein would jeopardize the continuing operation of Athens County 911.

ARTICLE 26 INSURANCE

It is the recommendation of the Fact-Finder that the Employer's proposal be adopted. Article 26, INSURANCE is to be rewritten as follows:

**"ARTICLE 26
INSURANCE**

Section 26.1. The Employer shall contribute ninety (90%) percent and the Employee shall contribute ten (10%) of the total insurance premium for major medical, prescription, dental and vision for a single plan.

The Employer shall contribute eighty (80%) percent and the Employee shall contribute twenty (20%) of the total insurance premium for major medical, prescription, dental and vision for a family plan.

The County shall choose the carrier.

Section 26.2 The Employer agrees to provide and pay for a \$20,000 Life Policy."

RATIONALE:

The percentages proposed by the Employer, 90%-10% and 80%-20% have been negotiated by the Employer in both OPBA contracts for the Athens County Sheriff's Office. A review of the premiums paid for 911 employees and employees of the Sheriff's Office shows a significant difference in the cost of the total premiums. For 2010, the premiums for the Sheriff's Office and 911 are:

Athens County Sheriff:

| | |
|-------------------------------------|------------|
| Single Premium for Medical and Drug | \$795.48 |
| Family Premium for Medical and Drug | \$1,998.63 |

Athens County 911:

| | |
|-------------------------------------|------------|
| Single Premium for Medical and Drug | \$512.25 |
| Family Premium for Medical and Drug | \$1,350.30 |

Based upon the above comparisons, bargaining unit members of the Sheriff's Office would be paying \$79.55 for single coverage and \$399.73 for family coverage. For employees of 911, the Dispatchers, the cost would be \$51.23 for single coverage and \$270.06 for family coverage.

The Agreement dated January 1, 2007 through December 3, 2009 between the Athens County Sheriff's Office and the OBPA substantially mirrors the Agreement with the Dispatchers in Article 26: "The Employer shall pay ninety (90%) percent of the total single premium for hospitalization insurance for employees not having similar coverage elsewhere, and employees opting for single coverage hospitalization shall pay ten (10%) percent via payroll deduction. "The Employer shall pay eighty (80%) of the total family premium for hospitalization insurance for employees not having similar coverage elsewhere, and employees opting for family coverage hospitalization shall pay twenty (20%) percent via payroll deductions" The Union did point out what was considered a statistical error in that the 80-20 was apparently actually only between 12% and 13%.

A similar comparison of the Agreement between the Athens County Sheriff's Office and the OPBA Sergeants and Lieutenants for the period January 1, 2008 through December 31, 2010 at Article 22 displays the identical language.

These are relevant comparisons within County of Athens for the fact-finder's review and consideration. After studying the data submitted by the parties on the issue of hospitalization I have found no other evidence or argument that would be as persuasive. There is no relevancy in comparisons to either Ohio University or to the City of Athens or to the Athens Co. Engineer or to the Athens – Hocking Joint Solid Waste District all of which are not under the jurisdiction of the Athens County Commissioners and have separate grants and funding.

The Employer argues that that the Union's proposal to include "substantially equivalent" language in Article 26 INSURANCE would only cause issues and be, in effect, unmanageable. I will accept that argument in this instance.

Article 27
Wages

Recommendation:

Upon examination and comparison I find that neither the wage proposal made by the Commissioners or by the Union is reasonable.

It is my recommendation, based upon the testimony and the evidence, that the following wage increases be implemented during the life of the Agreement:

| <u>Year</u> | <u>Wage Increase</u> |
|--------------------|---|
| 2010 | 2.25% retroactive to the first full pay period following December 31, 2009 |
| 2011 | 2.50% |
| 2012 | 3.00% |

Rationale:

The current recession began in December of 2007.¹

This makes it imperative that wage proposals presented in fact-finding be rationally examined to determine if they are even applicable to today's economy. Certainly, in negotiations that took place and were ratified up through the middle of 2008 the parties were not fully aware of the extent and staying power of the economic downturn. Even today we are faced with the possibility that there may well be more economic distress before there is a noticeable improvement.

Ohio and other states hit by rising unemployment, rising insurance and pension costs may consider, may be forced to consider cutbacks in benefits and employment that were formerly unthinkable.

Your fact-finder was favorably impressed by the comments of the two bargaining unit members on the Union's Committee.

¹ The National Bureau of Economic Research has declared that the U.S. has been in a recession since December 2007, making official what most Americans have already believed about the state of the economy .The NBER is a private group of leading economists charged with dating the start and end of economic downturns. It typically takes a long time after the start of a recession to declare its start because of the need to look at final readings of various economic measures.

They are obviously highly trained and highly motivated. The physical facilities in which they work are technical electronic marvels. Great skill is required to operate this equipment and upon that skill depends the health and safety of the public.

In Union 7, the wage history of the bargaining unit is represented in two contract cycles:

| <u>YEAR</u> | <u>% GENERAL WAGE INCREASE</u> |
|----------------|--------------------------------|
| 2004 | 2.5% |
| 2005 | 3.0% |
| 2006 | 3.5% |
| 2007 | 3.0% |
| 2008 | 3.5% |
| 2009 | 3.5% |
| Average | 3.2% |

As was prefaced in this analysis of wages, the Employer has not indicated it is unable to pay. Actual total revenue it was stated has increased in 2009 by 1.7% while, on the other hand, actual total expenditures for the 911 Center have, in the same period, increased by 7.6%. Additionally, there are technological improvements contemplated that will cost approximately \$500,000 dollars.

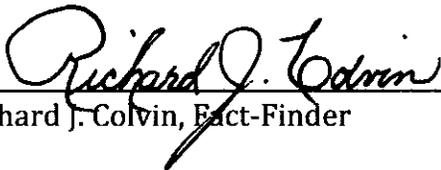
Looking at the 911 Government Assistance Fund Balances U-14, it can be seen that the balance has consistently shown improvement:

| <u>YEAR</u> | <u>END OF YEAR FUND BALANCE</u> |
|-------------|---------------------------------|
| 2006 | \$ 88,319 |
| 2007 | \$180,901 |
| 2008 | \$303,259 |
| 2009 | \$430,019 |

The Employer asserts that significant wage increases are not the prudent thing to do in this current economic climate and counties must use their best judgment so that they can continue to provide service and yet maintain the staff that they currently have.

The Commissioners have already taken what the fact-finder considers to be prudent steps in reviewing and reallocating costs in their health care programs. By way of example: In 2007, 2008 and 2009, the Employer paid the total single rate premium for hospitalization insurance for employees not having similar hospitalization insurance coverage elsewhere. In 2007, employees having a family hospitalization plan had the Employer contribute 90% of the insurance premium; in 2008 that percentage dropped to 88% while in 2009 it became 85%. The Employer also paid the single rate premium towards the County's dental and optical plan and contributed a dollar amount equal to 50% of the difference between the cost of the single and family plans.

Respectfully submitted in the City of Mason, Ohio and County of Warren this
15th day of June 2010.

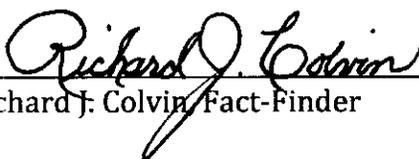

Richard J. Colvin, Fact-Finder

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing Report was forwarded to the State Employment Relations Board 65 East State Street, to the attention of Mary Laurent, Administrative Assistant, 12th Floor, Columbus, Ohio 43215-4213 by Regular U. S. Mail, on June 15, 2010 and was also forwarded to the parties listed below, by U. S. Overnight Mail on June 15, 2010.

Edward S. Kim
Downes Fishel Hass Kim LLP
400 S Fifth Street, Suite 200
Columbus, Ohio 43215

Mark J. Volcheck
The OPBA
92 Northwoods Boulevard, Suite B-2
Columbus, Ohio 432


Richard J. Colvin, Fact-Finder