

STATE OF OHIO  
STATE EMPLOYMENT RELATIONS BOARD

In the matter of  
Fact-Finding between

STARK COUNTY BOARD OF	)	
COUNTY COMMISSIONERS	)	CASE NO. 10-MED-09-1028
(SANITARY ENGINEER)	)	
-and-	)	JEFFREY A. BELKIN,
AFSCME, OHIO COUNCIL 8,	)	FACT-FINDER
LOCAL 959, AFL-CIO	)	

REPORT AND RECOMMENDATIONS

This matter was heard on June 23, 2011 at Canton, Ohio. The parties' representatives are listed below:

For the Union:

Shelby L. Woodall  
John H. Lake  
Darren S. Rootke  
Vincent G. Carbone

Staff Representative  
Local 959 President  
Local 959 Vice President  
Local 959 Chief Steward

For the Employer:

Leslie Iams Kuntz, Esq.  
James Jones  
Danielle Seese  
Michael Hanke

Attorney  
Sanitary Engineer  
Assistant to the Director  
Stark County Administrator

I. BACKGROUND

The Stark County Sanitary Engineer is appointed by the County Commissioners, with responsibility over the Metropolitan Sewer District and the Sanitary Engineering Department.

Responsibilities of the Sewer District include facilities design, construction oversight, administration, management and maintenance of the system, as well as billing and revenue collection. Operations of the Engineering Department are supported solely by user fees.

The Union has represented the bargaining unit, currently about 58 employees, since 1985. Among the unit classifications are various levels of technicians, equipment operators, construction inspectors, and office employees. Since the original recognition, the parties have negotiated eight labor agreements, the most recent being a one-year agreement (December 13, 2009 – December 12, 2010), referred to herein as the “current Agreement.” Although the parties have held approximately six bargaining sessions (the last of which included a mediator), a number of issues remain unresolved.

A more detailed description of the overall background, including the fiscal structure of the Department, together with current and future financial concerns, was provided in the Employer’s Position Statement, from which the following excerpts have been drawn:

“The Stark County Sanitary Engineer Department is supported solely by user fees. There are two (2) Revenue Funds in the County that support the operations of the Sanitary Engineer, Fund 029 the Sewer Fund, and 083 the Water Revenue Fund. The Sewer Fund is the primary budget for the Sanitary Engineer, and the Water Fund only supports the drinking water provision in Lake Township. Currently, the user fees in the Sewer Fund generate approximately \$21 Million annually, and the user fees for the Water Fund generate approximately \$670,000. Any revenue generated by the Water Fund will be greatly affected by the increase in water rates from Aqua Ohio that began with a 5% in July of 2010, and which will increase 4.75% in 2011 and in 2012. Any and all operational costs and capital improvements of the sewer and water system must be paid for out of these user fees.

Employee salary costs in the Sewer Fund have generally been a little over \$3.2 Million per year with employee benefits at approximately \$1.7 Million annually. The remainder of the Sewer Fund is primarily for capital

projects and debt service on those projects. Debt service alone is approximately \$9.8 Million annually; this amount had almost doubled since 2006. There is also a constant demand for new capital improvements and maintenance on other facilities. The Current Major Project Report and Petitions for additional sewer projects are included as Exhibits hereto.

Also important to note as influencing these negotiations is a capital project that will greatly increase the Department's debt service. In March of 2010, the City of Canton entered an agreement with the EPA to make improvements that will reduce phosphorus and nitrogen emissions from the Canton Plant. The total cost of this plant upgrade will be at least \$72 Million dollars. Stark County will be responsible for a portion of this upgrade based upon its use of the facility. Currently the City and the County are reviewing the usage issue to determine the percentage that the County will pay. Estimates currently place that amount at between 43.61% & 50% of the total cost. In either case, Stark County will be responsible for anywhere from \$1.6 to \$1.9 Million in additional capital costs for this plant upgrade."

## II. FACT-FINDER'S REPORT

In reaching the Findings and Recommendation on the issues at impasse, the undersigned has considered the parties' prehearing statements, oral presentations, exhibits and witness statements. Also taken into account were the factors mandated by statute:

Past collectively bargained agreements, if any, between the parties;

Comparison of the unresolved issues relative to the employees in the bargaining unit with those issues related to other public and private employees doing comparable work, giving consideration to factors peculiar to the area and classification involved;

The interests 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;

The lawful authority of the public employer;

Any stipulations of the parties;

Such other factors, not confined to those listed above, which are normally or traditionally taken into consideration in the determination

of the issues submitted to mutually agreed-upon dispute settlement procedures in the public service or in private employment.

III. UNRESOLVED ISSUES

1. ARTICLE 17 HOURS OF WORK/OVERTIME

(a) Section 2

The parties agreed to change the starting and quitting times of the

Radio Operators, set forth in the current Agreement, as follows:

“The standard work day starting and quitting times shall normally begin between 7:30 and 8:00 a.m. and end 4:00 and 4:30 p.m., Monday through Friday with the exception of Radio Operators whose standard work day starting and quitting times shall begin and end according to the following shift schedules: 7:30 a.m. to 3:30 p.m.; 3:30 p.m. to 11:30 p.m.; 11:30 p.m. to 7:30 a.m. by current rotating schedule.

(b) Section 3

The current contract language provides:

“When an employee is required by the Employer to be in active pay status for more than forty (40) hours in a week as defined in Section 2 above, he shall be paid overtime pay for all time worked in excess of the forty (40) hours, or in excess of eight (8) hours per day. Overtime pay shall be paid at the rate of one and one-half times the employee’s regularly hourly rate of pay. Hours earned on holidays, vacation and personal leave days shall be considered hours worked for the purpose of computing overtime. Premium may be paid only once for any hours worked (no pyramiding). An employee who has been on vacation, sick leave, bereavement leave, or any other authorized leave shall not be called for overtime until he has worked his regularly scheduled shift.”

The Union has proposed to add the following sentence regarding computation of overtime on Sundays and holidays:

“An employee that works on Sunday or on a holiday shall be paid at a rate double times the employee’s regularly hourly rate of pay.”

The effect of this proposal would be to raise the overtime rate on Sundays and holidays from two and a-half times the regular hourly rate to three times (“triple time”) the regular hourly rate.

Positions of the parties:

Union – The Union’s Position Statement does not present any additional facts beyond the wording of the proposal; and no further information was offered at the hearing.

Employer – The proposal to increase overtime pay on Sundays and holidays from 2.5 times regular hourly rate to 3 times hourly rate “especially in the current economic climate...is without any rational basis or justification.”

#### Finding and Recommendation

Normally the burden is on the party proposing to change current contract language, to present facts or other justification for the change. Because the record lacks any evidence in support of this proposal, the undersigned recommends that the current contract language remain unchanged.

#### (c) Section 6

The current language, in relevant part, states:

On-call pay schedule: “23.00 per on-call day.

An employee who is passed over for on-call due to an error made by Employer shall receive an additional \$23.00 in addition to being granted the next two available on-call opportunities.”

The Union has proposed two changes to the current language:

-Increase the on-call pay schedule to

24.00 effective 12/13/2010

25.00 effective 12/13/2011

26.00 effective 12/13/2012

-Increase the "passed over" payment from \$23.00 to \$24.00

Positions of the parties:

#### Union

The Union representatives pointed out at the hearing, that the current Agreement does not provide any wage increase; that is, members of the bargaining unit have not received a wage increase since 2009 (the third year of the 2006-2009 Agreement). Being acutely aware of the current situation, and the Commissioners' opposition to wage increases, the Union has included this, among other proposals, intended to increase compensation in ways other than across-the-board wage increases.

#### Employer

The Employer states that any increase in call-out pay is not warranted, for the following reasons:

- The proposal should be "reviewed with the overall package in mind."
- The on-call rate had been "dramatically increased" in 2006, from \$20.00

to \$23.00.

- With a call-out premium of \$23.00 under the current Agreement, this bargaining unit already enjoys a major advantage over the only other comparable, the County Engineer, that provides a call-out premium of \$15.00.

### Finding and Recommendation

The Union's attempt to explore avenues for increased compensation, other than percentage wage increases, is commendable. While the matter of call-out pay represents such a creative solution, however, there were no facts presented, other than the absence of a wage increase in the current Agreement. Thus the County's facts, particularly the comparable relating to the County Engineer, create a persuasive argument in favor of maintaining the current language of the Agreement.

Accordingly, the undersigned recommends that the current contract language remains unchanged.

## 2. ARTICLE 22 VACATION

### (a) Section 1

The current Agreement provides the following vacation schedule:

Full-time employees shall earn and become entitled to vacation with pay after one (1) year of continuous service with the Employer. The amount of vacation leave which an employee earns during a calendar year is based upon the employee's length of service on the anniversary date of his/her employment, as follows:

<u>LENGTH OF SERVICE</u>	<u>VACATION</u>
Less than 1 Year	None
1 year but less than 8 years	80 hours
8 years but less than 15 years	120 hours
15 years but less than 25 years	160 hours
25 years or more	200 hours

Part-time employees shall earn vacation with pay after one (1) year of continuous service with the Employer on a pro rata basis, depending on the average scheduled work hours per week the year before the vacation can be taken.

The Union has proposed to revise the years of service for vacation eligibility:

<u>LENGTH OF SERVICE</u>	<u>VACATION</u>
Less than 1 Year	None
1 year but less than <b>7</b> years	80 hours
<b>7</b> years but less than 12 years	120 hours
<b>12</b> years but less than <b>21</b> years	160 hours
<b>21</b> years <b>but less than 28</b>	200 hours
<b>28</b> years or more	<b>240</b> hours

Positions of the parties:

Union

At the hearing the Union stated that its proposal tracks the vacation eligibility schedule in the agreement of the City [of Canton] Engineer.

Employer

In its Position Statement the Employer contended that the language of the current Agreement should remain unchanged. This argument was summed up as follows:

“The Union is requesting lowering the years of service, especially in the middle of the scale. This request is not only unreasonable but also in conflict with other county bargaining units. Most other county entities both Union and nonunion have the current vacation accrual schedule that exists in this Agreement, including some AFSCME units.”

Finding and Recommendation

The record lacks financial data that projects the cost of the Union’s proposal. Suffice it to say, however, that with the exception of the additional 40 hours sought for employees with 28 or more years of service, the cost of the proposal, as a percentage of the payroll, calculates to practically nothing.

While it is true, as the Employer states, that other County agreements do not provide 80 hours of vacation until after eight years of service, that fact alone is not dispositive. As will be more fully discussed below, the undersigned is recommending a one-year agreement with no wage increases, and with additional employee contributions toward health care. This recommendation will need to be presented for ratification by the bargaining unit; and it is important for both parties, to come through these difficult negotiations with a livable result.

Therefore, the Union’s proposal for vacation eligibility, with the following exception, will be recommended. The exception is based on the fact that no justification was presented for adding 40 hours to the eligibility schedule covering employees with 28 years or more service. Accordingly the vacation eligibility set forth in Article 22, Section 1, is recommended to read, in relevant part:

<u>LENGTH OF SERVICE</u>	<u>VACATION</u>
Less than 1 Year	None
1 year but less than <b>7</b> years	80 hours
<b>7</b> years but less than 12 years	120 hours
<b>12</b> years but less than <b>25</b> years	160 hours
<b>25</b> years <b>or more</b>	200 hours

(b) Section 3

The Union had proposed to add the following sentence:

Vacations shall be taken in minimum increments of One (1) week.

This proposal was withdrawn at the hearing.

(c) Section 4

The parties agreed to delete the existing language of Section 4, and replace it with the following:

In addition to scheduling vacation pursuant to Section 3 of this Article, an employee may take up to five (5) one (1) day vacation periods during the calendar year. An employee may also split a second five (5) day vacation week one (1) time into a one (1) and four (4) day periods or two (2) and three (3) day periods which can be taken anytime during the calendar year so long as all five (5) days are scheduled at the same time. Employees eligible to earn five (5) weeks of vacation per year may also take the 5<sup>th</sup> week of accrued vacation in one (1) day increments.

Vacation may only be scheduled under this Section with the approval of the Employer or his designee. Employees must submit a request for vacation at least seventy-two (72) hours in advance, unless such advance notice is waived by the Employer.

Employees may not schedule vacation days pursuant to this Section during any week that he is assigned to "on call" status as set forth in Article 17 Section 6, unless approved by the Employer.

3. ARTICLE 24 JURY DUTY/COURT LEAVE

Section 1

The current language of the second paragraph reads:

"Any compensation or reimbursement for jury duty shall be remitted by the employee to the Employer."

The Union has proposed the following changes in that paragraph:

Any compensation or reimbursement for jury duty **or as a result of an employee being subpoenaed to testify as a court witness, wherein they are not a party to the action,** shall be remitted by employee to the Employer. **An employee**

**subpoenaed to testify as described above will not suffer loss in pay. Such leave shall be considered an excused absence for calculation of personal days.**

Positions of the parties:

Union

At the hearing the Union explained its proposal as necessary to cover those situations when an employee is compelled (subpoenaed) to testify in a court proceeding to which he/she is not a party. Otherwise the employee may lose pay for the time spent as a witness.

Employer

The Employer's Position Statement contends that "this is an unreasonable request to expect the taxpayers to shoulder such an expense. The Agreement already provides that an employee be paid if they are a witness or subpoenaed for anything work related or if they are on jury duty."

Finding and Recommendation

Because the current Agreement fully compensates the employees for service as a juror, as well as time spent as a witness in matters related to their employment, and in the absence of any justification or comparable, the undersigned finds that there are no facts to support the proposal.

Accordingly, the undersigned recommends that the language of the current Agreement remain unchanged.

4. ARTICLE 17 WAGE RATES

(a) Section 1

The Union has proposed the following wage increases:

**Effective December 13, 2010, the wages of the employees shall be increased by 5% and that total increase in wages shall be divided and distributed equally among the employees. (For example, if the overall increase in wages for 2010 is \$5000.00, then that amount would be divided amongst the 60 employees and distributed equally).**

**Effective December 13, 2011, the wages of the employees shall be increased by 4% and that total increase in wages shall be divided and distributed equally among the employees.**

**Effective December 13, 2012, the wages of the employees shall be increased by 3% and that total increase in wages shall be divided and distributed equally among the employees.**

**(The wage table reflecting the classifications is to be adjusted in accordance with the above increases for 2010, 2011, and 2012).**

Positions of the parties:

Union

Two principal contentions were advanced at the hearing. First, the compensation of the bargaining unit derives not from the General Fund (acknowledged to be having “serious issues”), but rather from the Sewer and Water Funds, whose income is dependent on user fees. The second contention is that there has been no increase in wages since January 1, 2009, when a three per cent (3%) increase went into effect, in the last year of the prior agreement.

Employer

The Employer’s position is that the wages of the bargaining unit be frozen during the one-year term of the Agreement. This position, according to the Employer’s Position Statement, is based on the following factors:

- SERB annual wage surveys indicate a downward trend in County raises (0.94 % in 2010 and falling in 2011).
- The fiscal crisis facing counties, including Stark County.
- The fact that the Employer's non-union staff has had a wage freeze in effect since 2009.
- Any fact-finding awards in Stark County that included a general wage increase have been rejected by the Commissioners.

#### Finding and Recommendation

According to an Employer exhibit, bargaining unit wages increased 33% between 2000 and 2009.<sup>1</sup> Such increases would have been folded in to the cost of overtime pay, vacations, holidays, etc. The actual benefit (and cost) of such increases was greater than 33%, due to the compounding of each annual increase on the prior year.

At the current time, the County is in the throes of a fiscal emergency, a fact not disputed by the Union. While the Sanitary Engineer is not dependent on tax revenues, like the General Fund, the Engineer is nevertheless subject to different (and potentially more severe) fiscal pressures. Thus it is undisputed that revenues of the Sewer Fund will be adversely affected by

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<sup>1</sup> 2000 – 4%  
2001 – 4%  
2002 – 4%  
2003 – 3%  
2004 – 3%  
2005 – 3%  
2006 – 3%  
2007 – 3%  
2008 – 3%  
2009 – 3%

increases in water rates from Aqua Ohio (2010 – 5%; 2011 – 4.75%; 2012 - 4.75%). Debt service for the Sewer Fund (close to \$10 million annually) absorbs over 40% of the fund's annual revenues; and is expected to climb as a result of a major capital project resulting from an agreement between the EPA and the City of Canton.

“Ability to pay” is one of the critical components of a fact-finders wage determination (see for example, Professor Ruben's award in Stark County Engineer's Office/AFSCME Ohio Council 8, 10-MED- 07-0886, March 22, 2011, p. 37: “ The issue then becomes what wage increases can the Stark County Engineer afford.”) Another factor, of no less importance, is the existence and amount of general wage increases granted in similarly situated bargaining units. Thus while a small general increase does not appear beyond the Engineer's ability to pay, it is very clear, as demonstrated by the fact-finding awards presented by the Employer (including the aforesaid Ruben award), that any increase recommended at this time would be rejected by the Commissioners.

Under the circumstances that prevailed until around 2008-2009 the Union's proposed increase might be viewed as being in the “high normal” range. Today, however, the proposal is simply not realistic. Along with the factor of ability to pay, the undersigned is required to consider the fact that wages have been frozen in all comparable bargaining units in Stark County, due to the prevailing fiscal emergency. To recommend a general wage increase for this unit, at this time, would thus not only break the pattern of settlements; but would also be an act of futility. Such a result could also be detrimental to the future bargaining relationship of the parties.

Accordingly, the undersigned recommends that the current wage rates for this bargaining unit remain in effect for the duration of the Agreement.

(b) Section 3 Additional Licenses

The Union has proposed the following changes in the language of the current Agreement:

- A. A Waterworks Technician will receive an additional ~~thirty five cents (\$0.35)~~ **one dollar (\$1.00)** per hour for obtaining and maintaining an Ohio Water Distribution certificate higher than a Class I water distribution license.
- B. A Wastewater Laboratory Technician will receive an additional ~~thirty five cents (\$0.35)~~ **one dollar (\$1.00)** per hour for obtaining and maintaining an Ohio Wastewater Laboratory Analyst certification higher than that required by the job description for the position.
- C. A Treatment Plant Aide, Treatment Plant Operator 1, and Treatment Plant Operator 2 will receive an additional ~~thirty five cents (\$0.35)~~ **one dollar (\$1.00)** per hour for possession of an Ohio Wastewater Works Operator's license higher than that required by the job description.
- D. An employee in a classification other than those stated in A, B, or C, will receive an additional ~~thirty five cents (\$0.35)~~ **one dollar (\$1.00)** per hour who obtains [sic] and maintains an Ohio Wastewater Treatment or Water Distribution or Wastewater Collection System license/certificate and is assigned to the appropriate area within the department using those licenses as designated below; however, an employee shall receive only one incentive increase and such increase shall not be piggybacked in any way.

<u>Type of License</u>	<u>Areas of Assignment</u>	<u>Classifications Qualified</u>
Water Distribution	Water Division	Laborer
Wastewater Treatment	Plants Division	Laborer Mechanic

Wastewater Collection      Collection Division

Electrician  
Equipment Operator  
Laborer  
Mechanic  
**Plant Aide**

- E. Any Equipment Operator 1 that acquires and maintains a Class "A" CDL license shall receive an additional ~~thirty five cents (\$0.35)~~ **one dollar (\$1.00)** per hour. The Employer will offer to reimburse any Equipment Operator 1 expenses for obtaining the Class "A" CDL license under provisions of Article 28 – Education Reimbursement.
- F. Regardless of Sections A through E a person shall receive only one (1) incentive increase of ~~thirty five cents (\$0.35)~~ **one dollar (\$1.00)** per hour. ~~and such incentive increases may not be piggybacked in any way.~~
- G. **Any employee that acquires and maintains a class "B" CDL, excluding an Equipment Operator 1, shall receive an additional sixty-five cents (\$0.65) per hour.**

The Employer has proposed the following changes in the existing language:

### **Section 3. Additional Licenses**

- A. A Waterworks Technician will receive an additional thirty-five cents (\$0.35) per hour for obtaining and maintaining an Ohio Water Distribution certificate higher than a Class I water distribution license.
- B. A Wastewater Laboratory Technician will receive an additional thirty-five cents (\$0.35) per hour for obtaining and maintaining an Ohio Wastewater Laboratory Analyst certification higher than that required by the job description for the position.
- C. A Treatment Plant Aide, Treatment Plant Operator 1, and Treatment Plant Operator 2 will receive an additional ~~thirty five~~ **fifty cents (\$0.50)** ~~0.35~~ per hour for possession of an Ohio Wastewater Works Operator's license higher than that required by the job description.
- D. An employee in a classification other than those stated in A, B, or C, will receive an additional thirty-five (\$0.35) per hour who obtains [sic] and maintains an Ohio Wastewater Treatment or Water Distribution or Wastewater Collection System license/certificate and is assigned to the appropriate area within the department using those licenses as designated below; however, an employee shall receive only one incentive increase and such increase shall not be piggybacked in any way.

<u>Type of License</u>	<u>Areas of Assignment</u>	<u>Classifications Qualified</u>
Water Distribution	Water Division	Laborer
Wastewater Treatment	<del>Any Plants</del> Division	Laborer Mechanic <b><u>Electrician</u></b> <b><u>Equipment Operator</u></b>
Wastewater Collection	Collection Division	Electrician Equipment Operator Laborer Mechanic

- E. Any Equipment Operator 1 that acquires and maintains a Class "A" CDL license shall receive an additional thirty five cents (\$0.35) per hour. The Employer will offer to reimburse any Equipment Operator 1 expenses for obtaining the Class "A" CDL license under provisions of Article 28 – Education Reimbursement.
- F. Regardless of Sections A through E a person shall receive only one (1) incentive increase of ~~thirty five cents (\$0.35) per hour~~ and such incentive increases may not be piggybacked in any way.

### Positions of the Parties

#### Union

In going through the proposed changes to this Section at the hearing, the Union indicated that it was seeking "some increase" in the various payments for licensure.

Regarding the proposed addition of "Treatment Plant Aide" as being eligible for a wage premium if a license is obtained, the Union compared the classification to that of "Laborer". That is, if the laborers are eligible for the premium, so should be the plant aides.

### Employer

Other than its proposal to raise the stipend for employees with Treatment Plant licenses from \$.35 to \$.50 per hour (“to encourage employees to gain this type of license as it is of growing necessity for the future operations of the facilities”), the Employer regards all other requests as “additional financial requests that have no reasonable rationale...and seem to have [been] cherry picked from other contracts...to get more money to the bargaining unit.” Moreover, there was no “concerted argument” to support the requests other than as a “ ‘shot gun’ attempt to get something somewhere...”

The Employer’s language changes, appearing in its proposal quoted above, appear to reflect operational considerations.

### Findings and Recommendations

A review of this section demonstrates the parties’ intent to encourage employees to obtain licenses as described therein, and to provide incentives for those who do so. The main difference between them is the amount of the incentive. Given the absence of general wage increases, and the parties’ acceptance of the concept that licensure be rewarded, it is not unreasonable to slightly increase the premium. Furthermore, based on the Union’s explanation and in the absence of an objection, it is also reasonable to add the plant aide classification to those qualified for licensure. However, there was no justification presented to an additional premium for holders of a class “B” CDL license.

Accordingly, the undersigned hereby presents Section 3 in its entirety, with the indicated revisions as a comprehensive recommendation:

(c) Section 3 Additional Licenses

- A. A Waterworks Technician will receive an additional ~~thirty five cents (\$0.35) one dollar (\$1.00)~~ **forty cents (\$0.40)** per hour for obtaining and maintaining an Ohio Water Distribution certificate higher than a Class I water distribution license.
- B. A Wastewater Laboratory Technician will receive an additional ~~thirty five cents (\$0.35) one dollar (\$1.00)~~ **forty cents (\$0.40)** per hour for obtaining and maintaining an Ohio Wastewater Laboratory Analyst certification higher than that required by the job description for the position.
- C. A Treatment Plant Aide, Treatment Plant Operator 1, and Treatment Plant Operator 2 will receive an additional ~~thirty five cents (\$0.35) one dollar (\$1.00)~~ **fifty-five cents (\$0.55)** per hour for possession of an Ohio Wastewater Works Operator’s license higher than that required by the job description.
- D. An employee in a classification other than those stated in A, B, or C, will receive an additional ~~thirty five cents (\$0.35) one dollar (\$1.00)~~ **forty cents (\$0.40)** per hour who obtains [sic] and maintains an Ohio Wastewater Treatment or Water Distribution or Wastewater Collection System license/certificate and is assigned to the appropriate area within the department using those licenses as designated below; however, an employee shall receive only one incentive increase and such increase shall not be piggybacked in any way.

<u>Type of License</u>	<u>Areas of Assignment</u>	<u>Classifications Qualified</u>
Water Distribution	Water Division	Laborer
Wastewater Treatment	<del>Plants</del> <b>Any</b> Division	Laborer Mechanic <b>Electrician</b> <b>Equipment Operator</b>
Wastewater Collection	Collection Division	Electrician Equipment Operator Laborer Mechanic <b>Plant Aide</b>

- E. Any Equipment Operator 1 that acquires and maintains a Class “A” CDL license shall receive an additional ~~thirty five cents (\$0.35) one dollar (\$1.00)~~ **forty cents (\$0.40)** per hour. The Employer will offer to reimburse any Equipment Operator 1 expenses for obtaining the Class “A” CDL license under provisions of Article 28 – Education Reimbursement.

F. Regardless of Sections A through E a person shall receive only one (1) incentive increase of ~~thirty five cents (\$0.35) one dollar (\$1.00)~~ **forty cents (\$0.40)** per hour and such incentive increases may not be piggybacked in any way.

(d) Section 4 (New)

**Section 4. Effective December 13, 2010, each employee shall receive eight cents (\$0.08) per hour per year of service for a longevity increase which shall be rolled into each employees base rate of pay.**

#### Positions of the Parties

##### Union

At the hearing the Union contended that longevity pay is found in agreements covering two departments of the City of Canton (City Engineer, Building Department).

##### Employer

As noted above, this proposal is one of several wherein the County contends that Union is attempting to obtain "something somewhere." The Employer also stated that the fact-finding report for the City Building Department, including longevity pay, was rejected.

#### Findings and Recommendation

This proposal, if it ever found its way into the Agreement, could cost as much or more than the Union's proposed general wage increase (Example: 15 years of service equals \$1.20/hour). Thus the proposal represents the sort of compensation increases that are unacceptable at this time.

Accordingly, the undersigned recommends that the new Agreement not include this proposal.

(e) Section 5 Mileage (New)

The Union proposes to change the current method of compensating Inspectors for mileage driven in the course of their employment, as follows:

**Section 5. Mileage**

**Inspectors shall be entitled to a mileage allowance at the rate of sixty cents (\$.60) per mile, or the applicable IRS rate, whichever is higher, for mileage driven in the course of their employment. Mileage will be documented by each Inspector and turned in by the fifth (5<sup>th</sup>) day of each month for the previous month's mileage. The inspector will be reimbursed for mileage within the next full pay period.**

Positions of the Parties

Union

Aside from the proposal itself, no additional facts were presented.

Employer

This proposal, like the previous item, is part of the Union's attempt to obtain "something somewhere."

Finding and Recommendation

Bargaining unit inspectors are currently covered by County policy that provides mileage reimbursement according to the prevailing IRS rate. No facts were presented to warrant increasing the mileage reimbursement beyond existing policy.

Accordingly, the undersigned recommends that the new agreement not include this proposal.

5. ARTICLE 30 HOSPITALIZATION/MAJOR MEDICAL/LIFE, INSURANCE

Section 1

The current Agreement states:

The Employer shall continue, for the life of this Agreement, the same insurance coverage provided to other County employees under the County's group health insurance plan. Effective January 10, 2010, employees covered by the group health insurance plan shall pay five percent (5%) of the premium costs in twelve (12) monthly increments with a monthly cap of \$65 for family coverage and \$32.50 for single coverage.

There are two proposals to change the existing language, one from the Union and one from the Employer

Union Proposal

The Employer shall continue, for the life of this Agreement, the same insurance coverage provided to other County employees under the County's group health insurance plan. Effective ~~January~~ **July 10, 2011**, the employee covered by the group health insurance plan shall pay **six percent (6%)** of the premium costs in twelve (12) monthly increments with a monthly cap of **\$75.00** for family coverage and **\$37.50** for single coverage.

**Effective January 1, 2012, the employee covered by the group health insurance plan shall pay six percent (7%) of the premium costs in twelve (12) monthly increments with a monthly cap of \$85.00 for family coverage and \$42.50 for single coverage.**

**Effective January 1, 2013, the employee covered by the group health insurance plan shall pay seven percent (8%) of the premium costs in twelve (12) monthly increments with a monthly cap of \$95.00 for family coverage and \$47.50 for single coverage.**

Employer Proposal

Increase the employees' share of premium cost to ten percent (10%), uncapped.

Positions of the Parties

Union

Under the current Agreement the employees' share of the health insurance premium is 5% of the cost, with a cap of \$65.00 for family coverage and \$32.50 for single coverage in 2010.

The Union points out that when the existing contributions and cap were negotiated into the prior Agreement, the employees also received general wage increases of 3% each year of the Agreement. Moreover, the percentage of employee contributions in other county offices is not uniform, with the County Engineers' employees contributing 3% of premium cost (lowest in the county); and other county entities currently have caps on health care charges. While recognizing that health care costs have dramatically increased, the Union believes that its proposal to slightly increase employee contributions, and raise the caps, is reasonable.

Employer

The cost of insurance has increased, for family coverage, from \$480/month per employee in 2002, to \$1215/month per employee in 2010. During this period employees started out paying nothing for coverage; and now pay just 5% of the cost, with caps of \$65/month for family

coverage, and \$32.50/month for single coverage. Thus the employees should share a “small percentage of those cost increases by an increase in the employee contribution...”

- The County seeks an increase in contributions to 10% of the monthly premium (uncapped), which translates to \$121.50 (family) and \$47.50 (single).
- Even with the County’s proposal, employees would be paying below the SERB published averages for county employees, of 13.9% or \$166 (family) and 10.6% or \$46 (single).
- The Union’s proposal “falls short of state averages.” Further, such low contributions are “politically a source of public frustration as the County attempts to seek a sales tax levy in November of 2011.”

#### Findings and Recommendation

It is no secret that the rising cost of health care is perhaps the most sensitive issue in collective bargaining today. In earlier times fully paid health care was a fixture of public sector employment, and one of the great advantages of a public sector job. Those days are long gone.

The “800 pound gorilla in the room” on this issue and others, is the fate of S.B. 5, the recent attempt to legislate changes in Ohio public sector bargaining. Under S.B. 5 the County (now proposing a 10% employee contribution) would be prohibited from agreeing to anything less than a 20% employee contribution. In other words, unless S.B. 5 is repealed in November, this whole discussion is moot.

Should the new statute be repealed, the dynamics of collective bargaining, currently in somewhat of a state of limbo, would return to what passed for normal prior to passage of the law. The following recommendation, therefore, is premised on the potential repeal of S.B. 5.

As the County stated, the level of employee contributions for health care is well below published averages for county employees statewide. Further, it is clear that health care cost increases have put a squeeze on Department finances (from \$385,060 in 2002, to \$949,394 in 2010). At the same time, however, bargaining unit employees have had no pay raise since 2009, and the undersigned is recommending no further increases in the new Agreement. The fact that nonunion employees have likewise been subject to a pay freeze, and yet pay 10% of the health care premium, while significant, is not dispositive.

If these recommendations should result in a new agreement, the parties will commence bargaining shortly after the vote on repeal of S.B. 5. For better or worse, therefore, they, along with other public sector unions and employers will know where they stand after the first week in November. Between now and the start of bargaining, the undersigned recommends that Section 1 read as follows:

The Employer shall continue, for the life of this agreement, the same insurance coverage provided to other County employees under the County's group insurance plan. Effective December 13, 2010, the employee rate of contribution shall be six percent (6%) of the premium cost for either family or single coverage, in monthly installments. Actual contributions shall commence on or after this Agreement is approved or ratified, and shall not be retroactive to the effective date.

By way of explanation the undersigned is attempting to achieve the following objectives with this proposal. First, the proposal establishes the precedent of increased percentages of

employee contributions toward health care costs; and will set the stage for further increases in the forthcoming negotiations. Next, it eliminates caps on contributions, also setting a precedent, covering the Employer in the event of unanticipated cost increases. Third, it would result in little change in take home pay, which is important at a time of a wage freeze. Thus this recommendation, if effectuated, would put the parties in a better position to negotiate a longer term resolution of health care cost sharing.

6. ARTICLE 41 DURATION

Proposals

The Union is proposing a three-year Agreement (December 13, 2010 – December 13, 2013). The Employer is proposing a one-year Agreement (December 13, 2010 – December 13, 2011).

Positions of the parties

Union

No further facts or contentions were presented beyond the language of the proposal.

Employer

The proposed one-year agreement is based on the “tremendous amount of uncertainty” surrounding the status of S.B. 5. The County is offering one-year contracts in all pending union negotiations, and other elected officials in Stark County have agreed to seek one-year agreements with their unions, until the issues underlying S.B. 5 are resolved.

Findings and Recommendation

In view of the recommendations covering the major unresolved economic issues, especially wages and health care, it would be unreasonable and unfair to recommend anything other than a one-year Agreement. Since the recommended contract year is nearly over, the effect of the Agreement will really be to serve as a stopgap pending the outcome of the S.B. 5 controversy. Nevertheless, it is the only workable outcome under the circumstances.

Therefore the undersigned recommends that the following language be adopted:

Section 1.

- A. This agreement shall be in effect as of December 13, ~~2009~~10 and shall remain in full force and effect through December 12, ~~2010~~11, unless otherwise terminated as provided herein.
- B. If either party desires to modify, amend or terminate this Agreement, it shall give written notice of such intent no later than ninety (90) calendar days prior to the expiration date of this Agreement. Such notice shall be by certified mail with return receipt. The parties shall commence negotiations within two (2) calendar weeks upon receiving notice of intent.
- C. The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right to make demands and proposals on any subject matter not removed by law from the area of collective bargaining, and that that understandings and agreement arrived at by the parties after the exercise of that right and opportunity are set forth in the Agreement. The provisions of this Agreement constitute the entire agreement between the Employer and the Union.

Report and Recommendations issued this 27<sup>th</sup> day of July 2011.

Respectfully submitted,

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Jeffrey A. Belkin  
Fact-Finder

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