

FACT-FINDING REPORT

STATE OF OHIO

STATE EMPLOYMENT RELATIONS BOARD

February 15, 2012

In the Matter of:

Columbiana County Clerk of Courts )

and )

GMP International Union, Local 384 )

Case No. 11-MED-10-1530

APPEARANCES

For the Clerk of Courts:

John N. Barkan Jr., Labor Relations Consultant  
Shane Patrone, Chief Deputy Clerk

For the Union:

Edward Bedoes, GMP Executive Officer  
Rose Hiner, Steward  
Bobbie Koran, Steward

Fact Finder:

Nels E. Nelson

## BACKGROUND

The instant dispute involves the Columbiana Clerk of Courts and the GMP International Union, Local 384. The clerk's office is involved in the operation of the Columbiana County Court of Common Pleas and the Columbiana County Municipal Court and through its Auto Title Division, issues titles and collects the sales tax for motor vehicles. The union represents 11 employees in the Court of Common Pleas and five in the Auto Title Division.

Article 30, Section 2, of the parties' 2009-2011 collective bargaining agreement includes a wage reopener for wages and longevity to be effective May 1, 2010, and May 1, 2011. Pursuant to the reopener, the clerk's office and union reached an agreement calling for an increase of 50¢ per hour in the wage schedule to be effective on May 1, 2010, with no change in the longevity schedule. The parties, however, were unable to agree on wages and longevity for the remaining year of the contract and adopted a reopener for the final year of the contract.

When the parties were later unable to agree upon wages and longevity to be effective May 1, 2011, they invoked the impasse procedure set forth in Chapter 4117 of the Ohio Revised Code. Pursuant to that process, the Fact Finder was notified of his appointment on October 28, 2011, and a fact-finding hearing was held on December 15, 2011. Following the hearing, the parties and the Fact Finder continued their efforts to resolve the dispute. However, on January 26, 2012, the Fact Finder was notified by the clerk's office that no settlement was possible and that he should issue his report and recommendations.

The Fact Finder's recommendations are based upon the criteria set forth in Section 4117-9-05(K) of the Ohio Administrative Code. They are:

- (a) Past collectively bargained agreements, if any, between the parties;
- (b) 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;
- (c) The interest and welfare of the public, and 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;
- (d) The lawful authority of the public employer;
- (e) The stipulations of the parties;
- (f) Such other factors, not confined to those listed in this section, which are normally or traditionally taken into consideration in the determination of issues submitted to mutually agreed upon dispute procedures in the public service or in private employment.

## ISSUES

As indicated above, the issues are wages and longevity to be effective May 1, 2011. For each issue, the Fact Finder will set forth the positions of the parties and summarize the arguments and the evidence they presented in support of their demands. He will then offer his analysis of the issue and his recommendation.

1) Article 30 - Wages, Section 1 – Wage Rates - Section 1 of Article 34 has a wage schedule with five annual steps beginning at \$12.08 per hour with a top rate of \$14.86 per hour. The union demands a 7% increase in each step of the wage schedule. The clerk's office proposes to freeze the wage schedule but not to freeze employees on

their current wage step. It states that if current wages are maintained, there will be no layoffs through April 30, 2012.

Position of the Union - The union argues that the clerk's office should grant employees an increase in wages. It points out that on January 1, 2010, employees for the first time were required to pay part of their health insurance premiums. The union notes, however, that the burden was offset by a wage increase of 50¢ per hour effective May 1, 2010.

The union contends that although employees' premium contributions were increased again on January 1, 2011, and January 1, 2012, the clerk's office is offering no wage increase. It claims that in 2011 the employee premium contribution increased by more than 50%. The union states that it "does not believe that the wage reopener in Article 30 was designed for union employees to take concessions within the contract." (Union Pre-Hearing Statement, page 2)

The union maintains that changes in the design of the health insurance plan in 2012 have adversely affected employees. It reports that employees face higher co-pays and co-insurance requirements. The union asserts that changes in the plan design along with the higher premium contributions justifies its wage demand.

Position of the Clerk's Office - The clerk's office argues that its position ought to be adopted. It states that since the bargaining unit was established in 1991, it has granted wage increases and has not cut staff or reduced hours. The clerk's office notes that these increases did not impact other budgets within the Clerk of Courts operations.

The clerk's office contends that over the years Columbiana County has been economically stressed. It indicates that it has not been unusual to hear about layoffs, reductions in hours, or both. The clerk's office claims that by adopting a fiscally sound approach to wage increases, it "has been able to maintain staffing levels consistent with operational needs; provide wage increases on a yearly basis; and not have to reduce the hours of operations, which other offices within Columbiana County have been faced with." (Clerk's Office Pre-Hearing Statement, page 2)

The clerk's office maintains that with the cooperation of the union, it developed a fair wage schedule. It reports that at one time, the wage schedule had ten steps, which resulted in a wide spread between the starting and top rates. The clerk's office indicates that this led to employee turnover and forced senior employees to pick up the work load. It states that the new wage schedule, which was completed during the 2007 negotiations, solved this problem.

The clerk's office argues that up to 2010 it was able to negotiate wages with the union. It observes that since then the economic situation facing the county declined sharply. The clerk's office states that despite the deteriorating financial situation, it was still able to agree to a wage increase.

The clerk's office contends that the situation has changed. It points out that the county's Local Government Fund payment was cut by 50% in 2011 and an additional 50% cut is scheduled for 2012. The clerk's office notes that this resulted in a 5% cut in its appropriation for 2012 and will mean a 15% cut in 2013. It claims that given the poor financial outlook, the office must operate within the budget it has prepared, which allows for no wage increase.

Analysis - The union's sole argument in support of its demand for a 7% wage increase is based on the increase in employees' health care costs. The record reveals that the County Commissioners increased employee premium contributions from \$19 per month for single coverage and \$68 per month for family coverage in 2010 to \$38 per month for single coverage and \$135 per month for family coverage in 2011, and to \$45 per month for single coverage and \$156 per month for family coverage in 2012.<sup>1</sup> At the same time, changes in plan design in 2012 left employees with higher co-pays and co-insurance and significantly higher out-of-pocket maximums.<sup>2</sup>

The Fact Finder recognizes that a few county bargaining units did get wage increases in 2011. At his request, the union submitted the wage provisions from its contracts covering employees in the County Commissioners' Office, the Treasurer's Office, and the Recorder's Office. The documents show that employees in those units received increases of varying amounts even though those offices presumably faced the same financial pressures as the office of the Clerk of Courts.

The Fact Finder, however, believes that it is important to note two things. First, all of the increases are the result of contracts there were effective in 2009 when county finances were significantly stronger. It may have been these increases that led to subsequent cuts in staff and hours in some offices. Second, other bargaining units in the county, including the units in the Sheriff's Department, have agreed to wage freezes.

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<sup>1</sup> Section 1 of Article 33 of the parties' collective bargaining agreement requires the clerk's office to provide members of the bargaining unit with the health insurance offered to all county employees.

<sup>2</sup> Table 3.2 on page 9 of the State Employment Relations Board's 2011 Report on the Cost of Health Insurance in Ohio's Public Sector reports that the average employee premium contribution for single coverage is \$46 per month and the average family contribution is \$136 per month, including plans where no employee contribution is required. For counties, the average single contribution is \$70 per month and \$205 per month for family coverage. In addition, Tables 8.1, 9.1, and 10.1 on pages 17 -19 indicate that the annual deductibles, co-insurance requirements, and out-of-pocket maximums are consistent with those faced by other employees in Ohio.

The overriding consideration in the instant case is the inability of the clerk's office to pay. The county has suffered substantial cuts in its state funding and there appears to be no relief in sight. The major reduction in payments from the Local Government Fund coupled with the weak economy and high unemployment in Columbiana County and the resulting reduction in the clerk's office's appropriations, make it impossible to ignore one of the important statutory criteria governing the fact-finding process and recommend a wage increase to be effective May 1, 2011.

**Recommendation** – The Fact Finder recommends the following contract

language:

Effective May 1, 2011, wages shall be frozen at the May 1, 2010, rates. All employees shall be placed in the wage scale based on their date of hire. The wage scale is as follows:

<u>Year</u>	<u>Hourly Rate</u>	<u>Annual Salary</u>
Start	\$12.08	\$25,126.40
First Year	13.09	27,227.20
Second Year	13.94	28,995.20
Third Year	14.20	29,536.00
Fourth Year	14.86	30,908.80

**2) Article 30 – Wages, Section 3 - Longevity** – Section 3 of Article 34

includes a longevity schedule. Longevity payments start at \$395 after 6 years of service and reach a maximum of \$750 after 30 years. The union seeks to increase the first three steps of the longevity schedule by \$50 and the remaining three steps by \$75. The clerk's office proposes that the existing longevity schedule be retained.

**Position of the Union** - The union provided no arguments or evidence to

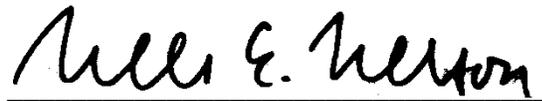
support its position on longevity beyond what it offered with respect to the wage issue.

Position of the Clerk's Office - The clerk's office provided no arguments or evidence to support its position on longevity beyond what it offered with respect to the wage issue.

Recommendation - The Fact Finder recommends no change in the longevity schedule. The contract language is as follows:

All full-time employees shall receive longevity pay based on their continuous length of service with the Employer. The amounts shall be as follows:

After 6 year of service	\$395
After 10 years of service	425
After 15 years of service	455
After 20 years of service	570
After 25 years of service	650
After 30 years of service	750



Nels E. Nelson  
Fact Finder

February 15, 2012  
Russell Township  
Geauga County, Ohio