

**STATE OF OHIO  
STATE EMPLOYMENT RELATIONS BOARD**

**In the Matter of:** :  
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 :  
**Ohio Patrolmen's Benevolent** : **12-MED-05-0537**  
**Association (Corrections Officers)** :  
 :  
**and** : **FACT FINDING REPORT**  
 : **FINDINGS AND RECOMMENDATIONS**  
 :  
**Putnam County Sheriff** : **May 7, 2013**  
 :

**APPEARANCES**

**For the Union:**

Michelle Sullivan, Attorney  
Jonathan Winters, Attorney  
Christopher B. Slick  
Brent Meyers

**For the Employer:**

Patrick Hire, Labor Relations Consultant  
Wendy Schimmoeller, Consultant  
Dave Roney, Lieutenant, Jail Administration  
Laura Huff, Administrative Assistant

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## **I. BACKGROUND**

The Fact Finder was appointed by the State Employment Relations Board (SERB) on December 5, 2012, pursuant to Ohio Revised Code Section 4117.14(C)(3). The parties mutually agreed to extend the fact-finding period as provided under Ohio Administrative Code Rule 4117-9-05(G) until May 7, 2013. The parties are the Ohio Patrolmen's Benevolent Association (Union or OPBA) and the Putnam County Sheriff (Employer or Sheriff). Putnam County is located in northwestern Ohio. The county seat is Ottawa, a village with a population of 4,460 according to the 2010 Census. The county is primarily rural, with a total population of 34,499 in 2010. Over 90% of the county is dedicated to agriculture (87.94% to cropland and 4.80% to pasture). This matter involves the Corrections Officers of the Sheriff. There are currently seventeen (17) in the bargaining unit. The parties have a mature bargaining relationship of over twenty (20) years. The Union represents four (4) separate bargaining units with the Sheriff's Office, including the Corrections Officers. Historically, all four (4) units had negotiated together. During this round of negotiations, the units negotiated separately. The parties bargained on five (5) dates, but could not reach agreement on all issues. They participated in mediation on three (3) dates without success. Prior to this hearing, the Road Patrol Deputies and Sergeants units proceeded to fact finding and reports were issued.

## **II. THE HEARING**

The fact-finding hearing was held on April 30, 2013 at the offices of the Sheriff, 1035 Heritage Trail, Ottawa, Ohio. Each party provided a pre-hearing statement. The Fact Finder attempted mediation, but this report became necessary.

The parties jointly introduced the following exhibits into evidence:

1. Collective Bargaining Agreement Entered into by and between The Putnam County Sheriff's Office and Ohio Patrolmen's Benevolent Association.
2. Tentative Agreements reached during negotiations.

This report incorporates all tentative agreements reached by the parties during negotiations. These include:

1. Article 1: Preamble.
2. Article 2: Recognition.
3. Article 5: Non-Discrimination.
4. Article 7: Labor Management Meetings.
5. Article 8: Severability.
6. Article 10: Personnel Files.
7. Article 13: Probationary Period.
8. Article 14: Performance Evaluations.
9. Article 15: Severance Pay.
10. Article 17: Workers' Compensation.
11. Article 18: Health and Safety.
12. Article 21: Hours of Work.
13. Article 22: Work Schedules.
14. Article 23: Compensatory Leave.
15. Article 25: Seniority.
16. Article 26: Layoff and Recall.
17. Article 27: Bumping Rights.
18. Article 28: Promotions.
19. Article 35: Tools and Equipment.
20. Article 36: Tardiness and Absence.
21. Article 37: Pre-Disciplinary Conference.
22. Article 38: Discipline.
23. Article 39: Internal Investigations.
24. Article 40: Grievance Procedure.
25. Article 41: Uniforms.
26. Article 42: Training.
27. Article 43: Military Leave.
28. Article 45: Sick Leave (but see below).
29. Article 46: Medical Leave/FMLA.
30. Article 47: Use of County Vehicle.
31. Article 48: Funeral Leave.
32. Article 49: Leave of Absence.
33. Article 50: Disability Separation.
34. Article 52: Vacation.
35. Article 53: Holidays.

36. Article 56: Duration.
37. Article 58: Retirement.
38. New Article: Work Rules.

Additionally, the parties agreed to remove the following articles from the Agreement.

1. Article 29: Union Representation.
2. Article 31: Political Activity.
3. Article 32: Solicitation and Distribution.
4. Article 33: Gambling.
5. Article 34: Garnishment.
6. Article 51: Inclement Weather.

The parties introduced the following exhibits into evidence:

Employer Exhibits

1. Article 20, Life and Medical Insurance.
2. Article 24, Overtime.
3. Article 45, Sick Leave.
4. Article 57, Wages.

Union Exhibits

1. Data regarding health insurance.
2. Methods to Lower Healthcare Costs.
3. County Comparison Data.
4. Corrections Officer Wage Data and Ohio Unemployment Rates, March 2013.
5. Acting Supervisor/OIC Pay and Sick Leave and Compensatory Leave Counted as Hours Worked comparisons.
6. General Fund Balance Analysis.
7. Appropriation vs. Expenditure History, Putnam County Jail.
8. Standard & Poor's Reports.
9. Ohio County Profiles, Putnam County.
10. Ohio Department of Taxation, State and Permissive Sales Tax Rates by County, January 2013.

The unresolved issues remaining for the hearing included: Article 20, Life and Medical Insurance; Article 24, Overtime; Article 45, Sick Leave; and Article 57, Wages.

The Ohio public employee bargaining statute provides that SERB shall establish criteria the Fact Finder is to consider in making recommendations. The criteria are set forth in Rule 4117-9-05(K) and are:

- (1) Past collectively bargained agreements, if any, between the parties;
- (2) 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;
- (3) 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;
- (4) The lawful authority of the public employer;
- (5) Any stipulations of the parties;
- (6) 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.

The Fact Finder hopes the discussion of the issues is sufficiently clear to the parties. Should either or both parties have any questions regarding this Report, the Fact Finder would be glad to meet with the parties to discuss any remaining questions.

### **III. ISSUES AND RECOMMENDATIONS**

#### **Introduction**

It is no secret that recent years have been difficult for public employers and employees. With the nation's economic woes, property values have decreased in many places and tax receipts have fallen. As taxpayers in the private sector lost jobs, they increasingly asked public employers to cut costs and looked on public employees as the

primary target for cutting costs. Putnam County has not been spared from this national debate. Since 2007, the Sheriff's budget has decreased approximately \$1.4 million, primarily from lost grant money and reductions in the overall budget. The budget has been reduced by \$224,561.50, while the office lost \$1,158,980.14 in various grants. Its 2013 budget is currently in deficit in the amount of \$38,000. Additionally, the State of Ohio has experienced its own budget woes. As recent as the first half of 2011, Ohio faced a projected budget of \$8 billion in its 2012-13 biennial budget. In balancing the budget, the state drastically reduced payments to local governments. As a result, counties and local municipalities saw their revenues decrease even further.

In some ways, the county is in better shape than others. The homeownership rate in the county is 84.4%, above the state rate of 68.7%. Per capita income in the county is \$25,019, below the state average of \$25,618, but median household income is \$59,378, above the statewide median of \$48,071. The county has done a good job of managing its budget. On January 1, 2012, it had a carryover balance of \$1,565,902, approximately 22% of total general fund expenditures of \$7,232,922 in 2012. The county also transferred \$2,286,570 to other funds and investments during the year.

As a result of events in recent years, the Sheriff has sought to control costs. It must be noted that the Union and the four (4) bargaining units have helped the county in recent negotiations. They have agreed to cut costs on various issues. During bargaining for this Agreement, the Sheriff continued to seek to control costs.

**Issue: Article 20, Life and Medical Insurance**

**Position of the Employer:** The language in paragraphs A and C are to be modified as follows (new language in italics):

**A.** During the term of the agreement, the Employer agrees to provide health care to the employees with the premium costs to be split 80% Employer and 20% employee. Employees shall receive the same level of benefits as other county employees under the Putnam County Commissioners Insurance Plan although the Employer will meet with the Union to discuss any changes to the Plan *as soon as practicable* prior to proposed implementation. The employee's contributions for insurance coverage will not increase more than *the 80%/20% split referenced above* over the life of the collective bargaining agreement.

...

**C.** Should the coverage provided to other county employees, by and through the Putnam County Commissioners Office, be changed or altered, such changes shall be applicable to the coverage herein provided following notice and meeting with the Union. The Employer will provide medical insurance coverage under *the Putnam County Commissioners Insurance Plan(s)* during the life of this agreement.

**Position of the Union:** The Union proposed certain changes in the language. In paragraph C, it seeks to amend the language to "under insurance CEBCO plan four *or other substantially similar coverage...*" In addition to changing dates in paragraph F, it proposed language so that the "opt out" payment would apply to all current employees who have been employed for an uninterrupted two (2) year period as of the date the employee requests to "opt out" of the county's health insurance.

**Findings:** The Sheriff argues that all county employees are part of the same health insurance plan and all should share the same coverage. It seeks to have all employees fall under the same coverage terms. The Union contends that any increase in health insurance simply erodes any wage increases employees receive. Maintaining current coverage will ensure that the Corrections Officers receive the benefit of any wage increases.

There is no question that health care costs are a major issue today. When the Fact Finder joined the SERB panel around 2000, wages were typically the most difficult issue to resolve. Now, health care is typically the major issue. The Union is correct that increased health care costs placed on employees can erode any wage increases. It is also true, however, that employers cannot always bear these increases alone. Often, health care costs increase by double digits every year. Neither employers nor employees can afford to bear them alone. They must be shared. Finding the most equitable way to share them is the challenge.

There was no evidence that the CEBCO plan was a poor one or the County was having difficulties with it. There does not seem to be a need to change plans at this time. However, the Employer may not always have more than a month's notice of any changes. Currently, all county employees are paying 20% of the cost of insurance. Given the recent history of health care increases, it is likely they will continue for the next three (3) years. It would be a burden on the Employer to bear all such increases. Additionally, no bargaining unit employee received the opt out over the past three (3) years. No Corrections Officer has requested it for 2013, so eliminating it will not harm anyone.

**Recommendation:** Retain the reference to the CEBCO plan in paragraph C. Reduce the amount of notice to discuss any changes to the plan from forty-five (45) to thirty (30) days in paragraph A. Amend the language of paragraph A to reflect a thirty percent (30%) cap on increases during the life of the contract. Remove the opt out language in paragraph F.

***Issue: Article 24, Overtime***

**Position of the Sheriff:** The Sheriff proposes to eliminate overtime for sick leave and compensatory time.

**Position of the OPBA:** Current language.

**Findings:** The Sheriff seeks to cut costs and claims that eliminating overtime will help to do so. The OPBA counters that the Sheriff has not proved a financial hardship in counting sick leave and compensatory time as hours worked. On the contrary, the Union asserts that the Sheriff has asked Corrections Officers to take compensatory time instead of overtime to help with short term budget difficulties. The Sheriff's proposal would likely keep COs from helping out in this manner.

Overtime in 2012 totaled \$28,767.03. The Sheriff projects that removing sick leave and compensatory time would save \$10,717.34. While the Sheriff wants to contain costs, cutting back in this manner would not save a great deal of money. After all, at least a certain amount of overtime is necessary and unavoidable. Actual savings may not be as great as projected. And the Fact Finder makes recommendations that will help the Sheriff control costs elsewhere, making the cost savings here less urgent.

**Recommendation:** Current language.

***Issue: Article 45, Sick Leave***

**Position of the Employer:** Remove paragraph O of Article 45.

**Position of the Union:** Retain paragraph O.

**Findings:** The Sheriff submits that the sick leave credit program is no longer needed. It was originally negotiated to address sick leave abuse. However, the Sheriff's Office does not have a sick leave abuse problem, so the program simply pays money to employees who have traditionally come to work. The program has cost \$70,000 over the last seven (7) years. With a 2013 deficit of \$38,000, to which the jail contributes almost \$17,000, the Sheriff can no longer afford it. The OPBA responds that the Sheriff has not shown the practice has been a problem.

There are two (2) ways to look at the Sheriff's argument. The first is that it has been paying out money that is not necessary. The second is that the program is working. That is, by giving sick leave credit, employees have not abused sick leave. Hence there is no problem. In short, the Sheriff has not shown a need to eliminate the program.

**Recommendation:** Retain paragraph O of Article 45.

***Issue: Article 57, Wages***

**Position of the OPBA:** The OPBA requests increases of four percent (4%) effective January 1, 2013, three percent (3%) effective January 1, 2014, and three percent (3%) effective January 1, 2015.

**Position of the Sheriff:** Upon the first pay period after the effective date of this agreement, employees will receive a one percent (1%) increase. Effective January 1,

2014, employees will receive a one percent (1%) increase. Effective January 1, 2015, employee will receive a one and one-half percent (1.5%) increase.

**Findings:** The Union argues that the pay of the Corrections Officers is low compared to surrounding counties. It points in particular to Ottawa and Van Wert counties as comparables. Entry level pay is lower than both counties, while the top rate is slightly higher than Van Wert, but much less than Ottawa. And compared to other northwestern Ohio counties, starting pay and ending pay are lower. This is so even though the county's general fund budget is equal to or exceeds those of comparable counties within SERB Region 7. The increases it seeks will help to close this gap. Since the county has an unencumbered fund balance of 8-9% year over year while transferring money out of the general fund to pay down long term debt, the county can afford the increases.

The Sheriff contends that it cannot afford the sought after increases. The Union's proposal would cost \$140,971.74 over the life of the agreement, while the Employer's proposal would cost \$41,325.54. If the Union's increases are granted, it would likely lead to layoffs. The Sheriff did lay off six (6) employees within the last several years, but was able to bring them back with grant money. The Sheriff is committed to keeping these employees even though the grant money was lost. Additionally, while the bargaining unit has received increases, non-bargaining unit employees received no increases in 2009, 2010, and 2012. In the last three (3) months of 2011, non-bargaining employees received a \$1 increase, equal to \$.25 for the year, while the bargaining unit received 7% in increases during the previous agreement. Given the loss of

approximately \$1.4 million since 2007 and its current \$38,000 deficit, it cannot afford much in increases.

As noted above, these are difficult times for public employers and employees. Public employers must be good stewards of public money, while providing services to their residents. Public employees must help their employers accomplish this by becoming more efficient and cost effective. Costs continue to increase for both employers and employees, however. Public employees must be able to continue to provide for themselves and their families. They have mortgages, must feed and clothe and perhaps pay to educate their children. These costs typically increase each year, while public employees have faced pay cuts and health care cost increases in recent year. Public employers need to find cost effective ways to pay their employees.

The increases sought by the OPBA are too great. They would cost approximately \$140,000 over the three (3) year contract. However, the increases offered by the Sheriff are too small. The recommendations to Article 20 as to health care should save the Sheriff and the county money. And given that employees could bear a greater share of health care costs, the bargaining unit should receive more in wages to help offset any such costs. Increases of 2.75% effective January 1, 2013 and 2.25% effective January 1, 2014 will help offset any additional costs and close the gap compared to surrounding counties. Finally, a bonus of \$1,000 payable in the first pay period in January 2015 will provide additional money to the bargaining unit while not adding to hourly wage rates. This will save the Sheriff some money.

**Recommendation:** A 2.75% increase effective January 1, 2013. A 2.25% increase effective January 1, 2014. A lump sum of \$1,000 paid to each bargaining unit member payable at the end of the first pay period in January 2015.

Dated: May 7, 2013



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