Received Electronically @ SERB December 24, 2012 8:15 AM

IN THE MATTER OF FACT FINDING

BETWEEN

TEAMSTERS LOCAL UNION NO. 284

AND

THE PICKAWAY COUNTY SHERIFF

SERB CASE # 12-MED-05-0567 (Units A and B)

Robert G. Stein, Fact-finder

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INTRODUCTION

The parties to this matter are Teamsters Local 284 (hereinafter "Union" or "Local") and the Pickaway County Sheriff's Office (hereinafter "Employer", "County", or "Sheriff"). The Employer is located in south central Ohio. The Sheriff's operation is divided into seven separate operations including Administration, Civil, Communications, Corrections, Criminal Patrol, and Special Operations. The two bargaining units are comprised of approximately thirty (30) employees and are located in the Corrections Division and the Communications Division. The Communications Division is responsible for handling all incoming calls for service, including 911 emergency and cellular calls for fire, law enforcement, and emergency medical service for the entire county, in addition to handling routine calls for police and other related services. In addition, the Division monitors the weather radio and activates alert sirens for the entire county and the City of Circleville in the case of threatening conditions. The Corrections Division maintains a full service jail with a bed capacity of 110 inmates and it also includes a holding cell and medical facility. The Corrections Division also has an officer assigned to the courthouse for security of the courts, and assists in the movement of inmates within the court and their transportation to other jails, medical/mental evaluation facilities, prisons, etc.

The bargaining relationship between the two representatives is relatively new and the bargaining unit was previously represented by the Fraternal Order of Police, Ohio Labor Council, Inc. The successor agreement in question in this proceeding will only be the second contract between the parties. In addition to the two Teamster bargaining units there are three (3) other bargaining units comprised under the jurisdiction of the Sheriff, which are represented by the Fraternal Order of Police, OLC, Inc. The only other collective bargaining agreement in Pickaway County is between the Communications Workers of America (CWA) and the County Department of Jobs and Family Services. The current Sheriff, Dwight E. Radcliff, has had a remarkable 48 year run in office as Sheriff and now will be succeeded by his son, Robert Radcliff in January of 2013. This transition, after almost a half a century, is likely to go smoothly.

Negotiations for a successor agreement began in August of 2012 and the parties met a total of three (3) times (September 27, 2012) prior to initiating fact finding.

General/State/Local Economic Overview: From trend data it appears that the recovery from the "Great Recession," as many economists have called it continues. Yet, it must be remembered that according to the U.S. Department of Commerce, what the U.S. economy is recovering from was characterized by:

· The longest recession in history,
· The highest levels of unemployment in over 25 years,
· The greatest number of people out of work for more than one year, and
· The longest average duration of unemployment.

The effects on state and local governments, in part delayed by federal stimulus money, has underscored how significantly things have changed in terms of current and anticipated revenue at the state and local level. The national economy continues to produce private sector jobs at a steady pace, albeit below the amount needed to keep up with the number of people entering the labor force.

The economy in Ohio continues to show steady signs of improvement and the Ohio unemployment rates in recent months have been lower than the national unemployment rate. It is 6.8% (as of 12/21/12) down from 8.7% just one year ago and at least a full percentage point lower than the national average. This is the lowest the unemployment rate has been in (4) years. Whether the states recovery can be attributed to national or state initiatives is not totally clear, but certainly the recovery of the U.S. auto industry, in a state like Ohio, is a significant contributor to the welcome news of increased employment. However, the recovery across the country is uneven, and can be affected by unpredictable events, some business are thriving while others are still struggling. But, clearly if the United States Congress can find a way to avoid the Fiscal Cliff, the state of Ohio under its current leadership appears to be headed in the direction of continued job growth. Certainly, the activity surrounding drilling for natural gas has been another area of economic development in certain parts of the state and it has added a significant number of jobs. Unfortunately this economic activity has not found its way to Pickaway County in any significant way. Of course, there remains uncertainty in the global economy and locally as officials adjust to less dependency on the state for funding, which has been dramatically cut in the current biennium state budget. The Sheriff, according to the Employer, faces a budget shortfall of some $531,000 in 2012, which will have to be made up by the County. And, in terms of salary increases, the bargaining units have suffered “drought” of their own. But for a lump sum increase of 3% (not added to the base) in June of 2012 and a modest salary adjustment in Steps D and E of the wage schedule, the bargaining units have not had a raise in the last three (3) years in spite of wage reopeners going to conciliation on two occasions.

The Employer and the bargaining unit appear to be well aware that in Pickaway County and in the Sheriff’s Department there are serious financial challenges and there was no data presented at the hearing to suggest the Sheriff or the County anticipate significant economic growth in the near future. The County, unlike others in Ohio has avoided layoffs, yet expenditures for salaries have in large part been absent during the last contract period. The County is largely rural in nature, which makes it stable, but lacking in the economic growth that can come with development.

The issues brought to fact finding by the parties in broad terms are Compensation, Longevity, Insurance, Sick Leave, and Training and Education. Both parties are seeking a three year agreement.

CRITERIA

OHIO REVISED CODE

In the finding of fact, the Ohio Revised Code, Section 4117.14 (C) (4) (E) establishes the criteria to be considered for fact-finders. For the purposes of review, the criteria are as follows:

1. Past collective bargaining agreements
2. Comparisons
3. The interest and welfare of the public and the ability of the employer to finance the settlement.
4. The lawful authority of the employer
5. Any stipulations of the parties
6. Any other factors not itemized above, which are normally or traditionally used in disputes of this nature.

These criteria are limited in their utility, given the lack of statutory direction in assigning each relative weight. Nevertheless, they provide the basis upon which the following recommendations are made.

Issue 1 Article 23, COMPENSATION

Employer's Position:

The Employer proposes the following in terms of wages:

2013 Wage freeze

2014 Reopener

2015 Reopener

The Sheriff argues that its financial condition has been brought about by a combination of factors which include significant cuts in funding from the State of Ohio, decreases in local revenue, and the overall effects of recovering from the most severe recession since the "Great Depression." It contends that the Sheriff will exceed his budget in 2012 by approximately $531,000. This appears to be no fault of the Sheriff, but comes as a result of his continued workload and sizeable number of inmates that must be housed. The Employer also points out that during the two reopeners in the current contract, which both went to conciliation, no wage increase was granted. And, only a 3% lump sum increase was granted in July of 2012 by the County Commissioners, under the condition that it would not be added to the base. The lump sum payment cost incurred by the Sheriff through the action of the County in granting this lump sum was about $132,000. The Sheriff also points out that while the County has a carryover balance, a good portion of it must be utilized for payroll in the first few months of the year.

Union's Position:

The Union modified its position at the hearing and proposes the following in terms of wages:

2013 4% increase

2014 4% increase

2015 4% increase

The Union strongly argued that its wage proposal will help keep the bargaining unit from falling further and further behind comparable counties. It argues that other comparable bargaining units in nearby counties have "received higher wage increases than have the bargaining unit member's in Pickaway County," who at the top of the scale for Correction Officers are 1.9% below the average. (Ux. 1) The County, with the exception of providing a 3% lump sum increase in July of 2012 and a 5% wage increase in 2009, provided no increase in wages for the

bargaining unit for 2008, 2010, 2011 and now is proposing another wage freeze for 2013, argues the Union. During this same period (2008 through 2012) the average wage increases for Ohio Sheriff departments was 3.1% in 2008, 2.8% in 2009, 2.2% in 2010, 1.4% in 2011, and 1.7% in 2012 (or 11.2% over this period). The Union in its documentation (Uxs. 3 through 8) argues that the County has a reasonable carryover balance, part of which should be used to provide a wage increase.

Discussion:

The revenue outlook for the County is modest at best and has become a balancing act between declining and changing revenue sources, rising expenses, and the maintenance of vital services. It appears from the testimony of Brad Lutz, County Executive, that the County has and continues to operate the County in a cautiously frugal manner, and to his credit has managed to avoid layoffs, in spite of its current and near future budgetary outlook. And even though taxed profits from gambling in Ohio are likely to increase revenue for the County in the future, the amount the County will realize is at this point in time speculative.

Although it is apparent from the evidence that the financial road ahead will not likely include any windfall revenue streams, the County appears to be taking a realistic approach to the other main cost factor it faces, health insurance. A six percent (6%) increase in health care premiums is being absorbed by the County with no increase in the employee premium. With employee wages having remained relatively stagnant for several years, this bit of relief is important. The financial challenges faced by this rural County continue, and it's relatively solid, but unremarkable (in terms of significant growth) real estate tax base underscore why prudence must be exercised in expenditures that are made by the County Commissioners.

Yet, understandably the Union is very concerned about bargaining unit employee's falling behind their peers in other counties. The challenging economic times are not just limited to employers. Employees in a very real way are struggling to maintain households in this "new economy" most of which remains undefined and uncertain. A way to both provide some relief to employees and avoid an ongoing burden upon an employer during uncertain economic times is through the payment of salary in the form of a lump sum, rather than a continuing obligation. Halfway through 2012 this appears to have been accomplished in terms of a 3% payment, and increases in health care premiums will not have to be absorbed by bargaining unit employees through March of 2014. In the first year of the Agreement the facts support the Employer's need to keep wages at their current levels; however, during the remainder of the Agreement the parties will need to revisit wage levels with a good faith effort to address the growing erosion of income faced by employees. Although inflation has remained low, employees cannot go year after year without improvements in their wages.

There is also no justification for any reductions of pay in Appendix A, as proposed by the Employer. Therefore, there should be no reductions in any current payments for duties in Appendix A or changes in the current level of wages as they appear in the wage schedule for the first year of the Agreement. One exception in terms of fairness would be if any other unit

through negotiations or impasse processes receives a greater wage increase, then the bargaining units in this matter shall be treated the same.

Recommendation:

2013 No change in the wage schedule, except if any other bargaining unit receives a wage increase for 2013, the bargaining units in this matter shall receive the same increase, retroactive to the same date as is granted to any other unit.

2014 Wage, Longevity, and Insurance reopener.

2015 Wage, Longevity, and Insurance reopener

Issue 2 Article 24, LONGEVITY

Employer's Position:

Maintain current longevity rates. The Employer points out that the 4 bargaining units in the Sheriff's Department have the same longevity schedule, and it is a better longevity schedule than that which is provided to non-bargaining unit employees in the County. Additionally, the Employer points out that the Blue FOP unit is not proposing an increase in longevity for their successor agreement.

Union's Position:

The Union seeks to increase longevity beginning in the seventh (7th) year. The Union is proposing an increase of .10 to each tier of the longevity schedule. The Union considers this to be a modest increase.

Discussion:

The internal comparable data indicate that all bargaining units have the same longevity schedule and non-bargaining unit employees have a lower longevity payment schedule than do the 4 bargaining units (2 Teamster units, and 2 FOP units) in the Sheriff's Department, and there is no evidence that increases have been schedule. Given the reasons articulated under compensation, the longevity benefit should remain the same for the first year of the Agreement, but given the fact that longevity is an important form of compensation to employees who have demonstrated a long term commitment as employees of the Sheriff's Department, the longevity schedule should be revisited in the form of a reopener for each of the last two years of the Agreement.

Recommendations:

2013 Current language, no change in the Longevity Schedule

2014 Longevity Reopener along with Wages and Health Insurance

2015 Longevity Reopener along with Wages and Health Insurance

Issue 3 Article 28, INSURANCE

Employer's Position:

Maintain current language. All County employees pay the same premiums and have the same coverage. The employee premiums shall remain the same through March of 2014. Employees did absorb a substantial health care premium increase from 2009 to 2010, but the 6% increase for health insurance in 2013 was picked up by the County through March of 2014.

Discussion:

The evidence supports the Employer's position at least through March of 2014. However, the parties should form a health care committee comprised of representatives of all the bargaining units, as well as non-bargaining unit employees and administrators. Health insurance committees are not only commonplace, but if run correctly, they can provide great benefit to both parties, in terms of information and reasonable decision making.

Recommendations:

2013, Maintain current language for 2013, except form a Health Care Advisory Committee for input to changes effective from April 2014 through the remainder of the Agreement.

Add to Article 28:

Within 120 calendar days from the date of this report, a health care committee shall be formed and shall hold its first meeting, to include two representatives from each of the bargaining units, along with one non-union employee and two (2) management level employees. The Health Care Advisory Committee (HCAC) shall meet regularly on a schedule agreed upon by all parties, and said HCAC shall be responsible to review the current insurance programs and to make recommendations to the County regarding health and life insurance to be effective April 1, 2014 and as needed through the remainder of the Agreement.

1st year of the Agreement: 2013 through March 31, 2014, Current Language

2nd year of the Agreement: Reopener for 2014 for insurance effective April 1, 2014. The reopener negotiations on health insurance shall include review and recommendations made by the HCAC and submitted to the parties at least sixty (60) calendar days prior to the start of negotiations. If no recommendations are made, the parties shall engage in reopener talks without them.*

3rd year of the Agreement: Reopener for 2015 for insurance effective April 1, 2015. The reopener negotiations on health insurance shall include review and recommendations made by the HCAC and submitted to the parties at least sixty (60) calendar days prior to the start of negotiations. If no recommendations are made, the parties shall engage in reopener talks without them.*

During the reopener negotiations the parties always have the option of addressing health insurance once for both remaining years of the Agreement.

Issue 4 Article 30, SICK LEAVE

Employer's Position:

The Employer is proposing two changes to Article 30: In Section 30.5 it proposes to add the words, *"such form will include the nature of the illness."* And, in Section 30.8 the Employer is proposing changes to address excessive or patterned sick leave use. It is also proposing the elimination of the provision that exempts employees from receiving an occurrence if they report to work and work at least two (2) hours, prior to going home sick. The Employer argues this provision has been abused and has led to excessive overtime scheduling and costs.

Union's Position:

Maintain current language with one exception. Under Section 30.8, the Union is proposing the addition of the words, *"An occurrence will be removed for every forty (40) hours of overtime worked in one (1) year."* The Union asserts that bargaining unit employees have worked a great deal of overtime and these efforts should be factored in an absentee control program.

Discussion:

These proposals were the subject of intense mediation efforts on the part of the fact finder, and during the mediation process, common ground appeared to be found where each party would receive some relief. There is no dispute over the fact that sick leave, particularly last minute call off absences, create a considerable workload on the bargaining unit, and it often leads to a fair amount of overtime. On the other hand, it seems only reasonable that if bargaining unit employees working a greater number of hours than 2080 hours, there needs to be recognition of this fact and employees should be evaluated under this basis on the current sick leave control program.

Recommendations:

Current Language, all parts of the Article, except add under Section 30.8 after the list of occurrences and before the last sentence of the Section, the following words:

"An occurrence shall be removed for every forty (40) hours of overtime worked in one (1) year."

And under Section 30.8 the second to the last paragraph prior to the list of Occurrences shall be modified as follows:

"Going home sick, after reporting to work at the regularly scheduled time shall be counted as an occurrence."

Issue 5 Article 36, TRAINING AND EDUCATION

Employer's Position:

The Employer is proposing changes to Article 36 in Sections 36.1, 36. 2 and is proposing the elimination of Section 36.4.

Union's Position:

Maintain current language.

Discussion:

These proposals were also the subject of intense mediation efforts on the part of the fact finder and during the mediation process, and as with sick leave, common ground appeared to be found where each party could agree upon minor modifications to the Article that clarify the meaning and intent of the provision. In addition, Section 36.4 is redundant and shall be removed.

Recommendations:

Section 36.1 Current language, except add the words, *"Newly hired employees attending training required for an initial certification, or re-certification shall not have such hours counted as hours worked."*

Section 36.2 Change the first sentence to read, *"Whenever employees are required to attend work-related training sessions,* ***other than newly hired employees,*** *they shall be given time off*

from work with pay to attend such programs, including FLSA allowable travel time needed." Second sentence shall remain **current language.**

Section 36.3 Maintain current language

Section 36.4 eliminate current language

Section 36.5 Maintain current language and renumber the Section to Section 36.4

TENTATIVE AGREEMENT

During negotiations and during and following impasse proceedings, the parties reached tentative agreements on several issues. Any unchanged current language is part of the recommendations for a successor Collective Bargaining Agreement contained in this report.

The fact finder respectfully submits the above recommendations to the parties this _____ day of December 2012 in Portage County, Ohio.

_____

Robert G. Stein, Fact finder