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IN THE MATTER OF FACT FINDING

BETWEEN

CLERMONT COUNTY COMMISSIONERS
CLERMONT COUNTY, OHIO

AND

AFSCME, OHIO COUNCIL 8

SERB CASE # 2014-MED-10-1498

Robert G. Stein, Fact-finder

LEAD ADVOCATE(S) FOR THE UNION:

LeRoy Herd, Staff Representative
AFSCME OHIO COUNCIL 8
1213 Tennessee Ave
Cincinnati, OH 45229
lherd@afscme8.org

LEAD ADVOCATE(S) FOR THE EMPLOYER:

Edward S. Dorsey, Esq.
WOOD & LAMPING LLP
600 Vine Street, Suite 2500
Cincinnati, OH 45202-2491
edorsey@woodlamping.com

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INTRODUCTION

The parties to this matter are AFSCME Ohio Council 8 (hereinafter "Union") and the Clermont County Commissioners (hereinafter "Employer") The Employer is located in southwest, Ohio just east of the City of Cincinnati. The bargaining unit is comprised of:

All full-time employees of the Clermont County Board of County Commissioners in the Water Resources Department, including employees in the classifications Construction Inspector; Maintenance Specialist; Maintenance Technician 1 and 2;Operator 1, 2 and 3 — *WW;* Operator 1, 2 and 3 — WR; Electrician 3; Laboratory Technician; Pump Mechanic 3; Construction Coordinator; and Systems Technician. Employees excluded from the bargaining unit are identified in a separate PDF SERB Unit Certification attachment.

General/State/Local Economic Overview: Caution and underlying disquiet have marked the years since the "great recession" was declared to have ended on a national level. Of course, what is often declared to be ended nationally does not always translate in the same manner or at the same time at the local level in Ohio. Recovery, if realized, has taken a painfully long time for many people since 2008, and politics at the national level has been marked by considerable national discord. In spite of frequent gridlock in Washington, often fostering fiscal uncertainty, the private sector has continued to recover by creating many new jobs in Ohio and the unemployment rate has substantially declined in Ohio. Yet, as evidenced by a contentious political climate economic discontent persists in in Ohio and elsewhere in the country that in pertinent part is clearly structural in nature as thousands of previously decent paying manufacturing jobs that underpinned a healthy middle class have disappeared. They have been replaced by lower paying jobs, with less or no benefits creating a growing number of workers who may be employed, but who continue to struggle

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financially and many of the political entities where they reside have less revenue. Fortunately, the rate of inflation has remained low for several years and the price of gasoline, which some would argue is troubling to some parts of the economy has brought welcome economic relief too many in Ohio.

The fact finder, at the request of the parties, entered into mediation and was able, with the very capable involvement of seasoned professional Union and Management representatives, Mr. LeRoy and Mr. Dorsey, to move the parties to tentative agreement on every remaining issue brought to fact finding with the single exception of wages. All other issues that were previously resolved prior to fact-finding are also part of this report.

These items were specifically addressed by the fact finder in this report and are based upon the evidence and arguments proffered by the Union and the County. The recommendations contained in this report are intended to conform to the statutory criteria that all fact finders must follow.

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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.

The above statutory criteria have not been prioritized by the Ohio legislature and therefore will be followed by the Fact-finder in the aggregate in rendering recommendations in this report.

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In summary the parties' positions on the issues of wages and health care are as follows:

Issue Article 35 Wages

Union's Proposal:

ARTICLE 35
WAGES

Section 35.1.

All bargaining unit employees who are employed as of January 1, 2016 shall be paid the hourly rates of pay, in their respective classification and Step, in accordance with the Pay Plan, Appendix A.

Section 35.2.

Effective January 1, 2015, bargaining unit employees shall receive a 2.35% in accordance with the employees current pay plan.

Effective January 1, 2016, Appendix A steps and grades shall increase 0.0% across the board.

Effective January 1, 2017, Appendix A steps and grades shall increase 0.0% across the board.

Section 35.3. Pay Plan Administration.

Bargaining unit employees who are employed by the Clermont County Water Resources Department (CCWRD) shall move in the wage steps as follows:

1. Full-time employees with less than one year of service with the CCWRD shall be paid at the rate for their classification designated as Step 1.

2. Full-time employees with Two (2) years of service with the CCWRD shall be paid at the rate for their classification designated as Step 2, on their anniversary date of hire.

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3. Full-time employees with three (3) years of service with the CCWRD shall be paid at the rate for their classification designated as Step 3, on their anniversary date of hire.

4. Full-time employees with four (4) or more years more of service with the CCWRD shall be paid at the rate for their classification designated as Step 4, on their anniversary date of hire.

Section 35.4.

All bargaining unit employees shall be paid on a bi-weekly basis.

Section 35.5. Application of Pay Rates.

The rates of pay set forth below are based on full-time employment for forty (40) hours in a work week, eighty (80) hours in a bi-weekly pay period, and two thousand eighty (2080) hours annually.

35.6. Promotions. When an employee is promoted to a higher rated classification, the employee's rate of pay will be the hourly rate of that classification as addressed in Appendix A, or a four percent (4.0%) increase, whichever is greater.

35.7. A. Class I, II, III Licensure Pay. Employees shall be paid for each appropriate state certification or License for each month worked in accordance with the below chart. The appropriate amount shall be paid by adding the dollar amount, per certification to the hourly base wage of qualifying employees.

Water Certification (Treatment) Amount		**Wastewater Certification (Treatment) Amount**	
EPA Class I	$.30/hr.	EPA Class I	$.30/hr.
EPA Class II	$.60/hr	EPA Class II	$.60/hr
EPA Class III	$.90/hr.	EPA Class III	$.90/hr.
Full Chemical Certification	$.50/hr		
Full Bacterial Certification	$.50/hr		

Water Certification (Distribution)

EPA Class I	$.30
EPA Class II	$.60

Wastewater Certification (Collections) Amount

EPA Class I	$.30
EPA Class II	$.60

B. The rates specified above are not cumulative; the higher rate supersedes the lower pay supplement. The license pay supplement will become effective the beginning of the pay period following the Employer's receipt of the certification.

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Maximum rates of pay, contained in Appendix A, could be exceeded with approved Supplemental Pay for certifications listed above.

35.6 Longevity Pay. (A) Unless retiring, full time employees on the payroll on December 01 of each year who have completed at least five (5) years of service shall receive longevity pay in the amount of $20.00 per year of service.

(B) Payment. Longevity pay shall be paid in the regular pay check, the first pay day of December. For purposes of calculating the years of service, only full-time continuous service on September 12th shall be used and there will be no pro-rations of years of service except at retirement.

(C) Retirement. If an employee retires prior to payment as discussed in Section 35.6
, payment will be pro-rated for each month of service for the calendar year prior to retirement date.

35.8. Shift Differential Shift differential shall be paid at the rate of $.40 per hour for all assigned shifts beginning at or after 2:00 P.M. and prior to 6:00 A.M.

35.9. **Temporary Transfer Compensation** Definition. Each employee that is assigned to duties of a position with a higher pay range than is the employee's own, for more than three hours during a work day, shall be eligible for a working level pay adjustment. This pay adjustment shall increase the employee's base rate of pay to a rate of pay four percent (4%) above the employee's current base rate for a period not to last more than sixty (60) calendar days.

If the temporary assignment continues beyond sixty (60) calendar days, the employee shall receive the entry level wage of the classification or position being filled, or the 4% raise, whichever is greater. This pay adjustment shall in no way affect any other pay supplement, which shall be calculated using the employee's normal base rate of pay.

APPENDIX A

January 1, 2016				
Classification	Step 1	Step 2	Step 3	Step 4
#1	$9.08	$11.34	$12.34	$13.59
#2	$9.70	$12.11	$13.11	$14.52
#3	$10.24	$12.78	$13.78	$15.32
#4	$10.82	$13.52	$14.52	$16.22
#5	$11.36	14.20	15.20	$17.03
#6	$11.93	$14.91	$15.91	$17.89
#7	$12.47	$15.58	$15.58	$18.69
#8	$13.05	$16.30	$17.30	$19.59
#9	$13.59	$16.97	$17.97	$20.35
#10	$14.16	$17.69	$18.69	$21.21
#11	$14.74	$18.41	$19.41	$22.08

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#12	$15.28	$19.09	$20.09	$22.90
#13	$15.82	$19.77	$20.77	$23.71
#14	$16.40	$20.48	$21.48	$24.56
#15	$17.23	$21.52	$22.52	$25.01
#16	$19.09	$23.84	$24.84	$28.58
A	$20.94	$26.94	$27.94	$32.04
January 1, 2017				
Classification	Step 1	Step 2	Step 3	Step 4
#1	$9.08	$11.34	$12.34	$13.59
#2	$9.70	$12.11	$13.11	$14.52
#3	$10.24	$12.78	$13.78	$15.32
#4	$10.82	$13.52	$14.52	$16.22
#5	$11.36	14.20	15.20	$17.03
#6	$11.93	$14.91	$15.91	$17.89
#7	$12.47	$15.58	$15.58	$18.69
#8	$13.05	$16.30	$17.30	$19.59
#9	$13.59	$16.97	$17.97	$20.35
#10	$14.16	$17.69	$18.69	$21.21
#11	$14.74	$18.41	$19.41	$22.08
#12	$15.28	$19.09	$20.09	$22.90
#13	$15.82	$19.77	$20.77	$23.71
#14	$16.40	$20.48	$21.48	$24.56
#15	$17.23	$21.52	$22.52	$25.01
#16	$19.09	$23.84	$24.84	$28.58
A	$20.94	$26.94	$27.94	$32.04

Union's Rationale:

The Union's position the Employees has not received any type of wage increase the five plus years prior to 2015. The employees and/or the respective classification hourly rates were reduced by approximately five dollars an hour, when the County privatize the AFSCME local around 1998.

This work unit has suffered wage reduction, no pay increases while absorbing the never ending escalating cost of Health Care Coverage.

The Employer must recognize the quality workers they have in their employ. If the employer intends on retaining this excellent employees, the Employer must compensate for prior and current injustices.

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Employer's Proposal:

Article _____ Wages

Wage increases for unit employees each year will be based on a pool. The pool represents an increase in compensation for the unit employees above the prior year, as has been implemented by the Water Resources Department in previous years. The pool will be allocated among individual employees using the previously implemented merit pay system, attached as Exhibit A. In January 1, 2016, the pool will equal 2.85%. As of January 1, 2017, the pool will be no less than 2%. As of January 1, 2018, the pool will be no less than 2%.

In the event that for calendar year 2017 or 2018, the Board of County Commissioners allocates for the County's non-represented employees across-the-board wage increases in excess of 2%, the pool for that year shall be the larger percentage. As per the above, the pool will be allocated among individual employees using the merit pay system. Step increases, merit increases, or other increases that do not apply across-the-board to all of the County's unrepresented employees do not trigger a larger increase for the bargaining unit employees.

Employer's Rationale:

First, the County is committed to the merit pay system. It has been in place for at least a dozen years. It was specifically endorsed by Arbitrator Normal Harlan as a result of fact finding in 2009. It has been adjusted over the years to insure fairness. In actual practice, when there are funds available for pay increases, it normally does not result in any employee getting zero. Rather, it operates so that better performing employees get a little higher raise, and poorer performing employees get a little less. This is fair, and helps incentivize employees to work smarter and harder in order to get the higher increase.

With respect to the amount of the pool, the 2.85% for 2016 is at the higher end of current contract settlements in the area and across the State. It is certainly fair and reasonable. For 2017 and 2018, the County is guaranteeing that the pool will be at least 2%. This is reasonable in light of the current contract settlements and the uncertainties in the economy. The employees in the unit are protected by the "Me Too" language. If the economy does well, and the Commissioners determine that the County can afford to pay its unrepresented employees more than 2%, the unit employees will share in that good fortune and the pool will be based on the higher percentage.

The County accepts all of the previously signed tentative agreements, subject of course to both ratification by the Union and approval by the Board of County Commissioners.

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DISCUSSION:

The Union made a concerted argument regarding the skill level of the bargaining unit and the fact that wages have remained stagnate for several years. As stated above, the one saving grace during what were clearly difficult years for the employees, their families, and for public sector employers in Ohio was the fact since 2008 was that inflation remained in check. In the recent experience of this fact-finder increases in Ohio's public sector are averaging around 2%, preceded by years of no increase, furlough days (non paid days), attrition, and for many public entities, first time layoffs of public employees. While one can always find recently bargained wage increases that are higher and lower in Ohio, what the Employer is offering in fact-finding represents wage pool increases that reflect commonly found Ohio settlements in the 2% range.

The facts support the2.85% above average wage pool increase that the Employer is proposing in the first year of the Agreement. Likewise, Employer proposed increases in the second and third year of the Agreement provide a guaranteed minimum (floor) increase in the pool of 2% along with a me-too protection. These represent competitive increases when compared to like public employers in Ohio. In this foundation agreement, said increases shall be provided under the current and long existing formula. The facts at this time to don't justify a structural change in the parties' long standing merit based approach to providing raises tied to performance. In fact, that approach, if done right, is much more reflective of the trend in employment rather than the exception. Additionally, other economic proposals, other than what the parties have agreed upon in negotiations and during mediation that preceded fact-finding and not agreed upon, are not recommended at this time. Based upon what is recommended the Employer shall modify current wage rates to reflect the below recommended increases.

RECOMMENDATION:

Article 35 Wages

WAGE POOL INCREASE: Wage increases for unit employees each year will be based on a pool. The pool represents an increase in compensation for the unit employees above the prior year, as has been implemented by the Water Resources Department in previous years. The pool will be allocated among individual employees using the previously implemented merit pay system, attached as Exhibit A. **In January 1, 2016, the pool will equal 2.85%. As of January 1, 2017, the pool will be no less than 2%. As of January 1, 2018, the pool will be no less than 2%. (See separate Merit Scale attachment)**

ME-TOO PROVSION: In the event that for calendar year 2017 or 2018, the Board of County Commissioners allocates for the County's non-represented employees across-the-board wage increases in excess of 2%, the pool for that year shall be the larger percentage. As per the above, the pool will be allocated among individual employees using the merit pay system.

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EXCEPTIONS TO THE ME-TOO: Step increases, merit increases, or other increases that do not apply across-the-board to all of the County's unrepresented employees do not trigger a larger increase for the bargaining unit employees.

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TENTATIVE AGREEMENT

Any tentative agreements reached by the parties in negotiations or in mediation proceeding fact-finding as well as any current language that is not changed or not addressed by the parties in their negotiations leading to this report shall be considered to be recommended in the successor Collective Bargaining Agreement.

The fact finder respectfully submits the above recommendations to the parties this ____ day of March 2016 in Portage County, Ohio.

_____
Robert G. Stein, Fact finder