

IN THE MATTER OF FACT FINDING

BETWEEN

**CLERMONT COUNTY COMMISSIONERS
CLERMONT COUNTY, OHIO**

AND

AFSCME, OHIO COUNCIL 8

SERB CASE # 2015-MED-08-0747

Robert G. Stein, Fact-finder

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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 about 127 employees in the Clermont County Department of Jobs and Family Services, Although there are 37 job classification covered by the current contract, only ten classification are currently in use and 90 unit employees are in just three classifications.

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 They have been replaced by lower paying jobs, with less or no benefits creating a growing number of workers who may be employed, but who continue to struggle financially and many of the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. Caddo 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.

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.

In summary the parties' position on the issue of wages are as follows:

Issue Article 28 Wages

Union's Position

It is the Union's position that bargaining unit members be provided with the same increases as the rest of the county and in keeping with the precedent that was set before this current negotiation. That precedent would be a two point eight five (2.85) percent base wage increase for all members of the bargaining unit beginning January 1, 2016, at least a two (2) percent base wage increase in the second year beginning January 1, 2017 and at least a two (2) percent base wage increase beginning the third year on January 1, 2018. As well as a "me too" clause for years 2017 and 2018 if there is a larger percent increase for non-represented employees. The Union also agrees with the Employer's request February 24, 2016 that all current members receiving payments for longevity be simply moved to the max payment for ease of payroll.

Union's Proposal:

ARTICLE 29: WAGES

Section 29.1 Wages shall be paid to Employees according to the pay range assignments, ranges and steps, described in Appendices A through C of this Agreement provided that any increase in step is contingent upon a performance evaluation defined as achieves expectations. Employees hired on or before June 19, 2003 shall continue to receive longevity payments set forth in Appendix C. Longevity payments shall not apply to Employees hired after June 19, 2003.

Section 29.2 Wages shall be adjusted as part of this Agreement as follows:

- (A) Effective January 1, 2016 Employees eligible for longevity payments as described under 29.1 will be awarded the maximum rate of longevity for their pay range assignment in effect at that time. The longevity pay is supplemental pay separate from the base wage earned under Appendix B and will not be subject to any further adjustment or considered

when calculating base wage percentage increases. The intent of this provision is that Appendix C be eliminated but that eligible employees receive the maximum longevity amount in effect at the time of this agreement.

- (B) Effective January 1, 2016 bargaining unit Employees shall receive a two point eight five (2.85) percent base wage increase. Effective January 1, 2017 bargaining unit Employees will receive a two (2) percent base wage increase. Effective January 1, 2018 bargaining unit Employees will receive a two (2) percent base wage increase. For years 2017 and 2018, if the percentage increase for non-represented employees is higher than that of the percentage increase of bargaining unit Employees, the higher percentage increase will be used for base wage increases.

Employer's Position:

The Employer proposes a merit pay plan based upon annual employee evaluations. This plan would eliminate the "steps" that were in the previous collective bargaining agreement. To compensate the employees for the elimination of the steps, the Employer's proposal would offer employees above average increases if they score well on their evaluations. In addition, some unit employees are currently grandfathered into longevity pay. The Employer proposes that those grandfathered employees all be maxed out on longevity pay for the remainder of their careers with the agency and the concept of longevity pay be deleted from the contract. As noted above, the Union agrees with the Employer's proposal with regard to longevity pay.

Employer's Proposal:

ARTICLE 29 - WAGES

Section 29.1 Wages shall be paid to Employees according to the pay range assignments, described in Appendices A and B of this Agreement provided that any increase in wage is contingent upon a performance evaluation defined as achieves expectations.

As of January 4, 2016, Employees hired on or before June 19, 2003 shall be maxed out on the longevity scale that was set forth in Appendix C of the parties' collective bargaining agreement that expired December 31, 2015, and those employees shall continue to receive that increase in their hourly rate for the remainder of their career with Employer. As of January 2, 2016, no other longevity increases shall be made to any employee.

Section 29.2 Wages shall be adjusted as part of this Agreement as follows:

- (A) Effective January 4, 2016;
- i. Employees eligible for longevity payments as described under 29.1 will be awarded the maximum rate of longevity for their pay range assignment in effect at that time. The longevity pay is supplemental pay separate from the base wage earned under Appendix B and will not be subject to any further adjustment or considered when calculating base wage percentage increases. The intent of this provision is that the former Appendix C be eliminated but that eligible employees receive the maximum longevity amount in effect at the time of this agreement.
 - ii. Appendix B shall be amended to reflect only minimum and maximum pay rates. Minimum rates of pay will remain at the rates in effect as of 12/31/15; maximum rates of pay will be increased for pay ranges 1 through 7 by 3% and for pay ranges 8 through 11 by 5%.
- (B) Any increase in base wage is subject to merit pay as determined by the employee's annual performance review as described below. Earned increases will be awarded on an annual basis. Under no circumstance will an employee be compensated above the established maximum pay rates as outlined in Appendix B.

i. For contract year 2016 the general percentage increase allocated to the merit pool is 3.50% based on the following performance rating scale:

PERFORMANCE LEVEL	WAGE INCREASE
Exemplary	3.50%
Commendable	Less .75% of exemplary rate
Achieves Expectations	Less .75% of commendable rate
Needs Improvement	0%

Unsatisfactory	0%

ii. For contract year 2017 the general percentage increase allocated to the merit pool is 2.50% based on the following performance rating scale:

PERFORMANCE LEVEL	WAGE INCREASE
Exemplary	2.50%
Commendable	Less .50% of exemplary rate
Achieves Expectations	Less .50% of commendable rate
Needs Improvement	0%
Unsatisfactory	0%

For contract year 2018 the general percentage increase allocated to the merit pool is 2.00% based on the following performance rating scale

:

PERFORMANCE LEVEL	WAGE INCREASE
Exemplary	2.00%
Commendable	Less .50% of exemplary rate
Achieves Expectations	Less .50% of commendable rate
Needs Improvement	0%
Unsatisfactory	0%

Section 29.3 Promotion

When an employee is promoted to a higher rated classification, the employee's rate of pay will be the minimum rate of that classification as assigned in Appendix A and B, or a four percent (4%) increase whichever is greater.

APPENDIX A

Pay Range

10

8

7

Income Maintenance Series

Income Maintenance Worker 4

Income Maintenance Worker 3

Income Maintenance Worker 2

7 Social Program Coordinator
 3 Income Maintenance Aide 2
 2 Income Maintenance Aide 1
 3 Mail Clerk/Messenger

Social Services Series

10 Social Services Worker 4
 9 Social Services Worker 3
 7 Social Services Worker 2
 6 Social Services Worker 1
 4 Social Services Aide 2
 3 Social Services Aide 1
 3 Family Services Aide 2

Clerical Series

7 Account Clerk 3
 6 Account Clerk 2
 5 Account Clerk 1
 5 Cashier 2
 5 Clerical Specialist
 3 Cashier 1
 2 Clerk 2
 2 Telephone Operator
 1 Clerk 1

Typing/Data Processing Series

11 Program Analyst 3
 9 Data Systems Coordinator 1
 8 Computer Operator 2
 5 Technical Typist
 5 Data Entry Operator 3
 3 Typist 2
 3 Data Entry Operator 2
 2 Typist 1
 2 Data Entry Operator 1

Investigation Series

8 Investigator 3
 7 Investigator 2
 6 Investigator 1

Employment Services Group

7 Employment Services Interviewer
 8 Employment Services Counselor

APPENDIX B

Clermont County Department of Job & Family Services
 PAY SCHEDULE
 (Bargaining Unit)
 Effective 1/4/2016 through 12/31/18

Pay Range	Minimum	Maximum
1	12.13	14.66
2	12.70	15.38
3	13.39	16.19
4	14.04	16.89
5	13.61	16.89
6	14.29	17.70
7	15.11	19.28
8	15.95	21.34
9	17.41	22.88
10	17.81	23.34
11	19.11	25.06

DISCUSSION:

The Employer's proposal for a merit pay plan, if done right, is reflective of the trend in bargaining agreements rather than the exception. Merit pay is, however, a significant change in the way employees are compensated, and they need to adjust to the change. Moreover, a merit system needs to be fair and efficacious in terms of compensation. The Employer's proposal does this by giving the unit employees the opportunity over the term of the next contract to earn wage increases above County averages. The Employer's proposal also increases the maximum rates of pay for pay ranges 1 through 7 by 3% and pay ranges 8 through 11 by 5%. My recommendation below is to increase these percentages to 4.5% and 6.75% respectively. Since over 25% of the unit is currently maxed out, this represents a real benefit to them. Moreover, it would place emphasis on the importance of also maintaining a merit incentive for those at the top of the pay range in the next Agreement.

In addition, however, it is appropriate that the conversion to a merit pay plan be phased in over the course of the next contract, rather than immediately implemented in 2016. Employees and management needs time to adjust to this new salary design for the bargaining unit. The recommendation below therefore guarantees for **2016** that unit employees will receive a 2% increase as well as the possibility of a merit increase of up to an additional 3%. For **2017**, unit employees will receive a 1% increase as well as the possibility of a merit increase of up to an additional 3.5%. For **2018**, increases will be based entirely on merit with the maximum increase being 4%. An honest merit system requires that evaluations to be done based on an employee's individual performance absent any artificial quotas or ceiling on the number of employees achieving above average evaluations. Finally, a good merit system in order to remain useful and appropriate requires monitoring and continuous improvement, therefore, I am recommending that the parties agree to a memorandum of understanding specifying that although the design and application of the evaluation process remains a management right, the Employer will upon the Union's request, meet and confer with the Union to discuss any concerns and before implementing any substantial changes to its current evaluation process, and that changes in the evaluation process may also be subject to the provisions of O.R.C. 4117.

RECOMMENDATION:

ARTICLE 29 - WAGES

Section 29.1 Wages shall be paid to Employees according to the pay range assignments, described in Appendices A and B of this Agreement provided that any increase in wage is contingent upon a performance evaluation of at least "achieves expectations".

As of January 4, 2016, employees hired on or before June 19, 2003 shall be maxed out on the longevity scale that was set forth in Appendix C of the parties' collective bargaining agreement that expired December 31, 2015 and those employees shall continue to receive that increase in their hourly rate for the remainder of their career with Employer. As of January 4, 2016 no other longevity increase shall be made to any employee.

Section 29.2 Wages shall be adjusted as part of this Agreement as follows:

- (A) Effective January 4, 2016:
- i. Employees eligible for longevity payments as described under 29.1 will be awarded the maximum rate of longevity for their pay range assignment in effect at that time. The longevity pay is supplemental pay separate from the base wage earned under Appendix B and will not be subject to any further adjustment or considered when calculating base wage percentage increases. The intent of this provision is that Appendix C be eliminated but that eligible employees receive the maximum longevity amount in effect at the time of this agreement.

- ii. Appendix B shall be amended to reflect only minimum and maximum pay rates. Minimum rates of pay will remain at the rates in effect as of 12/31/15; maximum rates of pay will be increased for pay ranges 1 through 7 by 4.50% and for pay ranges 8 through 11 by 6.75%.

(B)

Increases shall be awarded on an annual basis as described below. Merit pay is determined by the employee's annual performance review. Merit ratings will be based on individual performance and management will not impose a quota on any particular performance level. Under no circumstance will an employee be compensated above the established maximum pay rates as outlined in Appendix B.

- i. For contract year 2016, employees shall receive a 2% increase to their base rates of pay. In addition, there shall be a general percentage increase allocated to the merit pool of 3.00% based on the following performance rating scale:

PERFORMANCE LEVEL	WAGE INCREASE
Exemplary	3.00%
Commendable	Less .75% of exemplary rate
Achieves Expectations	Less .75% of commendable rate
Needs Improvement	0%
Unsatisfactory	0%

- ii. For contract year 2017 employees shall receive a 1% increase to their base rates of pay. In addition, there shall be a general percentage increase allocated to the merit pool of 3.50% based on the following performance rating scale:

PERFORMANCE LEVEL	WAGE INCREASE
Exemplary	3.50%
Commendable	Less .75% of exemplary rate
Achieves Expectations	Less .75% of commendable rate
Needs Improvement	0%
Unsatisfactory	0%

iii. For contract year 2018, there shall be a general percentage increase allocated to the merit pool of 4.00% based on the following performance rating scale:

PERFORMANCE LEVEL	WAGE INCREASE
Exemplary	4.00%
Commendable	Less .75% of exemplary rate
Achieves Expectations	Less .75% of commendable rate
Needs Improvement	0%
Unsatisfactory	0%

Section 29.3

Promotion

When an employee is promoted to a higher rated classification, the employee's rate of pay will be the minimum rate of that classification as assigned in Appendix A and B, or a four percent (4%) increase whichever is greater.

APPENDIX A

Pay Range

10

8

7

7

3

2

3

Income Maintenance Series

Income Maintenance Worker 4

Income Maintenance Worker 3

Income Maintenance Worker 2

Social Program Coordinator

Income Maintenance Aide 2

Income Maintenance Aide 1

Mail Clerk/Messenger

Social Services Series

Social Services Worker 4

10

9	Social Services Worker 3
7	Social Services Worker 2
6	Social Services Worker 1
4	Social Services Aide 2
3	Social Services Aide 1
3	Family Services Aide 2

Clerical Series

7	Account Clerk 3
6	Account Clerk 2
5	Account Clerk 1
5	Cashier 2
5	Clerical Specialist
3	Cashier 1
2	Clerk 2
2	Telephone Operator
1	Clerk 1

Typing/Data Processing Series

11	Program Analyst 3
9	Data Systems Coordinator 1
8	Computer Operator 2
5	Technical Typist
5	Data Entry Operator 3
3	Typist 2
3	Data Entry Operator 2
2	Typist 1
2	Data Entry Operator 1

Investigation Series

8	Investigator 3
7	Investigator 2
6	Investigator 1

Employment Services Group

7	Employment Services Interviewer
8	Employment Services Counselor

APPENDIX B

Clermont County Department of Job & Family Services
PAY SCHEDULE
(Bargaining Unit)
Effective 1/4/2016 through 12/31/18

Pay Range	Minimum	Maximum
1	12.13	14.87
2	12.70	15.60
3	13.39	16.43
4	14.04	17.14
5	13.61	17.14
6	14.29	17.95
7	15.11	19.56
8	15.95	21.69
9	17.41	23.26
10	17.81	23.73
11	19.11	25.48

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 14th day of July 2016 in Portage County, Ohio.

Robert G. Stein, Fact finder