

Conciliation Report and Award

STATE EMPLOYMENT
RELATIONS BOARD

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In the Matter of Conciliation

Between

The Madison County Sheriff

and

The Fraternal Order of Police – Ohio Labor Council

SERB Case No.: 03-MED-08-0785

Marcus Hart Sandver, Ph.D.
Conciliator

Hearing Date: March 5, 2004

Award Issued: March 10, 2004

Representing the Employer:

Mr. James K. Evans, Attorney at Law
J. K. Evans and Associates, LLC
Zanesville, Ohio

Representing the FOP-OLC:

Mr. Frank L. Arnold
Staff Representative
FOP/OLC, Inc.
Columbus, Ohio

I. BACKGROUND

This case arises out of a collective bargaining dispute between the Madison County Sheriff (the Employer) and the Fraternal Order of Police/Ohio Labor Council Incorporated (the Union). The parties have met six times since August 2003, for the purposes of bargaining and engaged in fact-finding on December 19, 2003. Despite these efforts two issues still remained in dispute following the non-approval of the factfinder's report. The parties through SERB contacted the Conciliator to resolve the dispute under the procedures established in O.R.C. 4117.14. The date March 5, 2004 was mutually agreed upon by the parties as the date for conciliation.

II. THE HEARING

The hearing was convened by the Conciliator at 9:00 AM in the conference room in the Madison County Sheriff's Office in downtown London, Ohio. In attendance at the hearing were:

For the FOP:

1. Frank Arnold FOP/OLC Staff Representative
2. Nick Linska Deputy
3. John Beathard Deputy

For the County Sheriff:

1. James K. Evans Management Representative
2. Stephen Saltsman Madison County Sheriff

3. Jim Sabin Chief Deputy

The following exhibits were introduced into the record:

Union Exhibits:

1. Union Exhibit #1 Pre-hearing statement (multi-tabbed notebook)

Sheriff Exhibits:

1. Sheriff Exhibit # 1 Pre-hearing statement (multi-tabbed notebook)

The parties were informed by the Conciliator that the Conciliation decision would be developed in accordance with the criteria for conciliation as found in O.R.C. 4117.14 G(7)(a-f) and that the conciliation hearing would be conducted in conformity with the rules promulgated by SERB. The parties waived opening statements and proceeded directly to a discussion of the issues.

III. THE ISSUES.

1. Article 25 Wages

A. FOP/OLC Position

The FOP/OLC position on this issue is for a 4% annual wage increase for each year of a 3-year agreement and for a 5% increase between steps A, B, C, and

D for both the patrol and communication officers. Additionally, under the Union wage proposal, if a communication officer in step C is promoted to patrol officer, and then subsequently returns to the communications position from which he/she came, he/she would return to the communications position as a step D communications officer, not a step C communications officer.

In support of its position, the FOP/OLC representative directed the Conciliator's attention to Tab 6 page 3 of FOP Exhibit 1. This exhibit is the general funds budget for the year ended December 31, 2002. The Union's representative asked the conciliator to note that the County had \$9,188,718 in cash receipts as of December 31, 2002 and \$8,569,053 in cash disbursements as of this date. The Union representative further asked the Conciliator to note that as of this same date that the County had \$3,671,216 in cash fund balances.

In addition, the Union provided comparability wage data which showed that for the seven counties that are contiguous to Madison County, only Champaign County paid its roads deputies and communications officers less than Madison County. All the other counties paid more.

B. County Sheriff's Position

The Sheriff's position on this issue is to offer a 3% annual increase for each year of the 3 year agreement and to provide a step increase of 2.3% to 2.6%. The Sheriff's proposal would increase the number of steps from 4 to 7.

In support of this position, the Sheriff's representative directed the Conciliators attention to FOP/OLC Exhibit # 1 Tab 6 page 3. The Sheriff's representative asked the Conciliator to add in the figure other disbursements, \$1,897,422, to the \$8,569,053 Total Cash Disbursements. The total now would be approximately \$10.3 million in total which would exceed receipts by over \$1.2 million. The Sheriff's representative asked the Conciliator to look at Tab 2 page 2 in Sheriff's Exhibit # 1. This exhibit shows that the County has run a general funds deficit for 2000, 2001, and 2003.

The Sheriff's representative asked the Conciliator to look at page 3, tab 2 of Sheriff's Exhibit # 1. In this exhibit, the comparability wage data for 17 Ohio Counties whose population falls within the interval of 35,000-50,000 (Madison County has a population of 40,365) is shown. According to these data, Madison County, which is 5th from the bottom among the 17 in terms of size, would be second from the top if its wage offer were implemented for the entry level deputy and fifth from the top for the top step deputy. It would be third from the top for the entry level communications officer and fourth from the top for the highest level communications officer. For the seven contiguous counties, Madison County would be third from the top if its offer were chosen by the Conciliator (actually fourth now that the new Franklin County contract has been ratified) for the entry level deputy and fifth from the top for the maximum step patrol officer. For the contiguous counties, if the Sheriff's wage offer were chosen by the Conciliator, Madison County's Communications Officers would be the second highest paid at the entry step and fourth highest paid at the top step. In terms of

population, Madison County is the sixth largest county of the contiguous counties in population (only Champaign is smaller), Madison is the smallest of the seven in terms of number of households, but is third highest of the seven in terms of household income (\$44,212).

C. Factfinder's Report

In reading over the factfinder's report, I conclude that much the same evidence that was presented in the Conciliation hearing was presented in the fact-finding hearing. This would apply to data regarding ability to pay, comparability, and so forth. The factfinder concluded that the county had a limited ability to pay, and recommended the FOP/OLC position on wages.

D. Discussion

First of all, I agree with the factfinder on the wage issue. The county has an ability to fund a wage increase. The general fund has a carryover from year to year and the "charge offs" to capital improvements, at the discretion of the commissioners, have much more to do with balancing the county's budget than anything done in this conciliation award. The past collective bargaining agreement provided for increases of 5% for all 3 years of the agreement. The past collective bargaining agreement, and the one before it, contained a 4 step wage schedule for both patrol officers and communications officers. I see nothing to recommend the County's 7 step wage schedule. It may save the County some

money, but it slows down the earning capacity of the patrol officers and the communications officers who already are paid between 7-13% less than the average rate of pay (according to the Unions calculations verified by the Conciliator) than their counterparts in adjoining counties. This is the comparison group which I find most compelling. The counties which are comparable in terms of population are all over the state and aren't really comparable in terms of the local labor market area. This is the key to wage rate and insurance comparability in my opinion. On the basis of ability to pay, past collective bargaining agreements, and comparability, I award the Union's position on wages.

E. Award

The Union's position is awarded. A 4% raise is to be awarded for each year of the agreement.

2. Article 28 Insurance

A. FOP/OLC Position

The Union position on this issue is to agree to pay \$10 per pay period co-payment and 50% of the difference between single coverage and the coverage elected by the employee. If for example, the employee should elect family coverage, the current premium for this coverage is \$1,188.29 per month. The

difference between single coverage (which is \$369.06 per month) and family coverage is \$819.20. Half of this is \$409.60. Add in the \$10 per pay period and the cost would be \$429.60 per month.

In support of its position, the Union provided collective bargaining agreements for Sheriff's Departments from Champaign, Clark, Union, Pickaway, Greene, and Franklin Counties which the Conciliator paged through page by page and verified that in none of these counties did the patrol officers pay more than 10% of the premium of the health insurance costs. In fact, in only two of them (Pickaway and Champaign) did the officers pay any share of the premium.

B. County Sheriff's Position

The Sheriff proposes to provide to the deputies the same health insurance plan provided to all of the other employees in the county. The premium share would follow the schedule listed below.

Plan	Employer Share	Employee Share
Single	85	15
Single/Child	75	25
Single/Spouse	75	25
Family	55	45

In support of its position, the Sheriff's representative made 5 points in exhibit # 1 tab 3.

1. Economy and revenue
2. Increased benefit costs (2003-2004)
3. Historical benefit costs
4. Current national trend to divert premium costs to employees
5. Benefit cost increases

C. Factfinder's Report

In fact-finding, the Sheriff proposed that the employees pay 61% of the cost of the family plan premium and that the employer pay 39%. The FOP/OLC position at fact-finding was that the employee pays 20% and that the employer pays 80% of the premium. Clearly both sides have changed their position on this issue since fact-finding.

D. Discussion

An inspection of past collective bargaining agreements reveals that up until November 30, 2003, the patrol officers and communications officers at the Madison County Sheriff's Office paid nothing for their health insurance coverage. An inspection of the audited statement of general funds of cash receipts and disbursements for the year ended December 31, 2002 reveals that the county has a limited ability to pay to provide health insurance benefits to its employees. An

inspection of the collective bargaining agreements from the County Sheriff's departments in the six counties that are adjoining Madison County reveal that in none of these counties do the patrol officers or the communications officers pay anywhere near what even the Union is proposing in Conciliation. The combination of these three factors leads me to award the Union position on this issue.

By my own calculations, which was agreed to by all six persons sitting at the Conciliation hearing, the cost of the Sheriff's proposal per month would be \$534 for family coverage and the cost of the Union's proposal would be \$438. This is for someone who at the most is making \$29,765 as a dispatcher and \$36,878 as a deputy. This would work out to be roughly 16% of a deputy's monthly take home pay and 25% of a dispatchers take home pay. This is if the Union proposal (the lower cost one) were chosen. Remember when we use to call health insurance benefits "fringe benefits"?

E. Award

The Union's position is awarded.

IV. CERTIFICATION

This Conciliation Report and Award is based upon evidence and testimony presented to me at a Conciliation hearing conducted by me at London, Ohio on March 5, 2004.

Marcus Hart Sandver, PhD

Conciliator

March 10, 2004

Columbus, Ohio