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Arbitrator & Mediator

STATE EMPLOYMENT
RELATIONS BOARD

2013 MAY 20 P 2:28

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May 16, 2013

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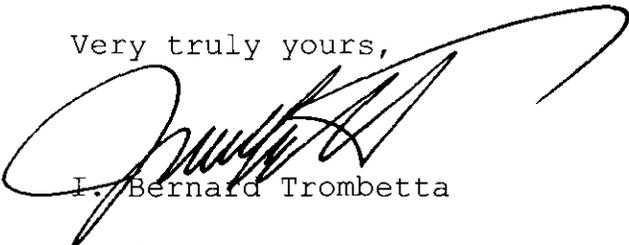
Wes Elson, Staff Representative
FOP/OLC
222 E. Town Street
Columbus, OH 43215-4611

Re: St. Clairsville & FOP/ OLC
Case Nos. 2012-MED-07-0652 & 0653

Gentlemen:

Enclosed please find the Report and Recommendation of the Fact
Finder in the above matters. I have also enclosed my bill for
services rendered herein.

Very truly yours,



I. Bernard Trombetta

IBT/rl

c.c. Mary Laurent, SERB

2013 MAY 20 P 2:28

STATE EMPLOYMENT RELATIONS BOARD

CITY OF ST. CLAIRSVILLE : CASE NOS. 12-MED-07-0652 & 0653
EMPLOYER :
AND : REPORT AND RECOMMENDATION OF THE
FRATERNAL ORDER OF POLICE/ : FACT FINDER
OHIO LABOR COUNCIL :
UNION :

I. PARTIES

This fact finding hearing is between the City of St. Clairsville, the employer, hereinafter referred to as the "City" and the Fraternal Order of Police/ Ohio Labor Council representing the police patrolmen in Case No. 0652 and the police dispatchers in Case No. 0653, hereinafter referred to as the "Union."

II. DATE AND PLACE OF HEARING

The hearing took place on Monday, May 13, 2013 and was held in the St. Clairsville Municipal Building in St. Clairsville, Ohio.

III. APPEARANCES

The following persons appeared at the hearing:

On Behalf of the Employer: Robert Vincenzo, Mayor, Albert Davies, Law Director, Martin Kendzora, Chief of Police, Dennis Bigler, Service Director, Cindi Henry, Finance Director

On behalf of the Union: Wes Elson, Staff Representative- FOP/ OLC, Thomas Stewart, Officer, Matt Arbenz, Officer, Judy McMillan, Dispatcher

IV. INTRODUCTION

This dispute is between the City and the two units comprising its safety forces, the police patrolmen and the dispatchers. The patrolmen's unit consists of 8 members all of whom are fulltime officers. The chief and officers are excluded from this unit. The dispatchers unit is comprised of 2 fulltime dispatchers who

dispatch emergency calls for the police department as well as municipal utility emergencies. There are 6 part-time dispatchers who are not members of this unit.

St. Clairsville is the county seat of Belmont County located in southeastern Ohio near the border with West Virginia in the heart of Ohio's coal country. It lies just off of I-70 a major east-west interstate highway. This City has felt the sting of the general economic downturn as much as any municipality in this state. The economic woes of the City are magnified by the fluctuations of the coal industry. A plus factor which has not yet reached its potential is that the area sits within what has been described as the Utica shelf where oil and natural gas exploration has been increasing. This phenomena has not translated into jobs nor greatly impacted the City and many of the income sources relied upon in the past (i.e. estate tax, personal property tax and local government fund) have either been legislated out of existence or significantly reduced.

In order to meet its financial obligations, the City enacted a .75% income tax, by ordinance, in May 2011 with half earmarked for the general fund and the other half for the capital improvement fund. St. Clairsville was one of the last Ohio municipalities to enact an income tax. The original proposal called for a higher tax which Council reduced to the present ¾%. A previous attempt at passage of an income tax was placed in the hands of the voters who predictably voted it down. Salaries of the police department and dispatchers must be paid through the general fund. Salaries constitute the greatest expenditures from the general fund and ear-marking half of the income tax proceeds to the capital improvement fund have restricted the City's ability to grant raises to its employees. The City belongs to a fire district and the wages of the firemen are not an issue. About 30% of the general fund revenues are generated from the municipal income tax.

V. ISSUE

ARTICLE 23, SECTION 1- WAGES

ANALYSIS

This is a single issue dispute and arises out of the wage reopener clause contained in two Memoranda between the parties extending the last collective bargaining agreement which expired on October 15, 2010. The first memorandum extended the agreement for a 3-year period to October 15, 2013. It froze wages in effect as of October 15, 2009, but offered a wage reopener for the second and third years. The second memorandum, dated November 17, 2011, again froze wages at the 2009 level, but reserved the reopener for the third year, effective October 15, 2012 for the remainder of the contract period.

The parties agreed that there were no procedural defects regarding the reopening and that the Fact Finder had the authority to recommend a wage adjustment dating back to October 15, 2012. The parties met three times, the last being February 8, 2013, to resolve this matter, but were unable to do so.

The City finds itself on the horns of a dilemma. Its union workforce, police patrolmen, dispatchers and AFSCME members, have not received a wage increase since October, 2009 and its non-union employees have been frozen at 2008 levels. While increases in the cost of living index have been modest for the last

few years, they, nevertheless, have increased by approximately 8% and the City employees, patrolmen and dispatchers included, have sustained a loss of spendable income.

The Union is seeking a 3.75% wage increase backdated to October 15, 2012. The patrolmen, dispatchers and police chief (\$57,400) cost the City \$489,300 per year. If part-time dispatchers are factored in the costs rise an additional \$58,200. The City's contribution to the state pension fund increases these costs by an additional \$99,000 per year. The City is now claiming that it is faced without a cash carryover for 2013, and a \$300,000 shortfall for 2013 and an even greater shortfall for 2014. Many revenue streams relied upon in the past have dried up.

The administration expressed its determination to treat its entire workforce equally. In other words, no one group, union or non-union, was going to receive a larger increase than any other group. In addition, administrative employees have also been wage frozen at 2008 levels. To its credit, the City has maintained a comprehensive health insurance policy at minimal cost to the employees and at the same time paying for all deductibles and co-pays.

If the City was financially healthy, the Union's demand for a 3.75% increase would, indeed, be worthy of consideration in view of the wage freeze of the last 2 years. Since 2010, safety force wages in Southeast Ohio have increased by a modest 3.55%, but this unit has received no increases. St. Clairsville police officers rank 6 out of 11 when compared to municipal officers in surrounding counties and dispatchers are ranked dead last, 6 out of 6. While the Union's demand would increase the City's expense by under \$20,000 per year, a similar wage increase for the remaining union and non-union workforce would bring the City perilously close to the brink of default without additional or increased revenue sources which are difficult to forecast.

The contract extension is set to expire 5 months hence. The wage reopener has been pending for over 7 months without resolution. If this fact finding is unsuccessful, the parties are looking at another 2 months before resolution through conciliation. And the parties will be bargaining over the terms of a new contract while the reopener clause of the expired, but extended contract is still open.

It is reasonable to consider some type of increase for these complainants and, if the City is intent on treating all of its employees similarly, that is all the more laudable. An increase in wages does not seem to be the best solution in view of the time and financial constraints of this matter. An increase in wages would affect longevity rates and the City's share to the OP&F Pension fund which have been increasing in any event. Besides, the City has entered into a "Me Too" agreement with its AFSCME members agreeing to match any contract terms given to the police and dispatchers. The City also expressed its intention to treat all of its employees similarly in view of the fact that all of its employees agreed to the wage freezes imposed in 2010.

A \$1,000 lump sum payment would amount to about a 2.36% increase for patrolmen and 3.46% for the dispatchers and at the same time save the City from the various employment taxes and retirement obligations. The recipients, on the other hand, would still pay federal, state and municipal taxes on that amount.

RECOMMENDATION

It is the recommendation of the Fact Finder that each bargaining unit member, patrolman and dispatcher alike, receive a \$1,000 lump sum work stipend payment, payable forthwith in lieu of an adjustment in the wage scale as provided in the collective bargaining agreement.



I. Bernard Trombetta, Fact Finder

Solon, Ohio

May 16, 2013

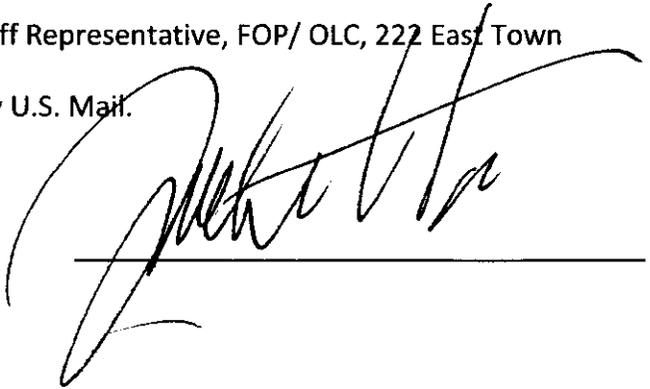
SERVICE

On the 16th day of May 2013, a copy of the foregoing Fact Finder's Report was served upon:

Albert E. Davies, Law Director, 100 N. Market Street, P.O. Box 537, St. Clairsville, OH 43950- the

Employer's representative and Wes Elson, Staff Representative, FOP/ OLC, 222 East Town

Street, Columbus, OH 43215-4611 by ordinary U.S. Mail.



Case Number: 12-MED-07-0652 Case Number: 0653 Case Number: _____
 Case Number: _____ Case Number: _____ Fact-finding Report/Conciliation Award
 Employer Name: CITY OF ST CLAIRSVILLE County: Bel Neutral: I.B. Trombetta
 Employer Organization: FOP/OLC # of Issues 1 Conciliation

For internal entry only BU: _____ Employee Type: _____ Employer Type: _____

ISSUE	PAGE	ISSUE	PAGE
Assignment/Reassignment.	_____	Probationary Period.	_____
Attend/Sick Leave Bonus.	_____	Promotion	_____
Bargaining Unit Work.	_____	Recognition	_____
Breaks/Meal Time.	_____	Residency.	_____
Civil Service Reference.	_____	Retirement Incentive.	_____
Class Size.	_____	Retroactivity.	_____
Compensatory Time.	_____	Reopener Clause	_____
Differential (CIRCLE ONE)		Rules and Regulations.	_____
Rank/Shift.	_____	Seniority.	_____
Discipline.	_____	Sick Leave.	_____
Drug Testing.	_____	Sick Leave Severance.	_____
Duration.	_____	Signing Bonus.	_____
Education Stipend.	_____	Special Assignment.	_____
Employee Rights.	_____	Stand-By Pay / On-Call	_____
EMT/Paramedic Certification.	_____	Sub-Contracting.	_____
Evaluation/Merit Pay.	_____	Tool Allowance.	_____
Fair Share.	_____	Training/Tuition.	_____
FMLA.	_____	Uniform Allowance.	_____
Grievance Procedure.	_____	Vacancies.	_____
Hazard Pay.	_____	Vacation Leave.	_____
Holidays.	_____	Wage.	_____
Hours of Work.	_____	Wage/Pay Step	_____
Injury Leave.	_____	Working Conditions.	_____
Insurance.	_____	Zipper Clause.	_____
Interim Bargaining.	_____	<u>Please list issues not found above</u>	Page
Job/Shift Bidding.	_____	Issue #1 <u>Reopener</u>	_____
Layoff/Recall.	_____	Issue #2 _____	_____
Leaves. (Circle below)		Issue #3 _____	_____
<i>Funeral, Union, Add'l Holiday, Personal Lv, Other</i>		Issue #4 _____	_____
Licensure/Certification.	_____	Issue #5 _____	_____
Longevity.	_____		Page _____
MAD.	_____	<u>PERCENT WAGE INCREASE PROPOSALS</u>	Increase Date
Management Rights.	_____	Employer % WAGE Increase. <u>0</u> %	_____
Me Too Clause.	_____	Employer % WAGE Increase. _____ %	_____
Minimum Staffing.	_____	Employer % WAGE Increase. _____ %	_____
Call-In/Call-out.	_____	Union % Wage Increase <u>3.75</u> %	<u>10/15/12</u>
Outside Employment.	_____	Union % Wage Increase _____ %	_____
Overtime.	_____	Union % Wage Increase _____ %	_____
Paid Time Off (PTO).	_____	Neutral's % wage Increase. <u>0</u> %	_____
Parking.	_____	Neutral's % wage Increase. _____ %	_____
Pension Pick-up.	_____	Neutral's % wage Increase. _____ %	_____
Personnel File.	_____	<u>\$1,000 - LUMP SUM</u>	
Physical Fitness.	_____		