

STATE OF OHIO
STATE EMPLOYMENT RELATIONS BOARD

In the matter of
Fact-Finding between

STRUTHERS FOP LODGE #41)	
)	SERB CASE #2013-MED-03-0327/0328
-and-)	
)	JEFFREY A. BELKIN
CITY OF STRUTHERS (OHIO))	FACT-FINDER

REPORT AND RECOMMENDATION

This matter was heard on December 13, 2013 at Struthers, Ohio. The parties were represented as follows:

For the Union:

Dennis Haines, Esq.	Attorney
Stan Okusewsky, Esq.	Attorney
Ray Greenwood	Member
Jason Murzda	Member

For the City:

Michael D. Esposito, Esq.	Shareholder/Employee Representative
Kevin Shebestra	Senior Consultant
Ed Wildes	Safety/Service Director

I. BACKGROUND

The union represents a unit consisting of 10 full-time police officers. It is noted that in the 2009-2012 Agreement (the most recent contract) a different organization is listed as the bargaining representative; but at the hearing it was stipulated that FOP Lodge #41 is now the lawful representative of the employees.

The following facts are taken from the City's pre-fact-finding statement:

"The City of Struthers is a shrinking, inner ring suburb of Youngstown dealing with poverty, blight, and other governmental funding challenges.

As everyone is aware, the country has experienced a recession over the last few years. Already on shaky foundations, the events that have taken place since 2008 have left the City of Struthers struggling to balance revenues and expenditures. The City's population base continues to shrink. The state has cut away at local government funding. The estate tax has been eliminated as a source of revenue.

Over the past several years, the City's management has focused hard on maintaining a fiscally responsible future and worked hard to keep expenses in line with revenues. There can be no dispute that it must continue to do so going forward. In fact, this solid management has enabled the City to avoid laying off any of its employees during these tough times.

Additionally, it is the taxpayers (those who are left) who will be asked to foot the bill for this labor contract. They have already been hit hard financially due to bailouts for AIG and failed financial institutions, a crisis in the credit markets, and a pending crisis in the funding of public employee pension funds. Many taxpayers have lost their jobs and their homes. And like many public employers in Mahoning County, the City of Struthers must contend with a greater demand for services by a residential base racked with poverty and unemployment, who therefore cannot afford further tax increases."

The Union has not disputed the accuracy of the foregoing. But its pre-fact-finding statement points out that the police officers have not received a wage increase for approximately six and a-half years.

II. FACT-FINDERS REPORT

In reaching the Findings and Recommendation on the sole issue at impasse, the undersigned has considered the parties' pre-hearing statements, oral presentations, exhibits and witness statements. Also taken into account were factors mandated by statute:

Past collectively bargained agreements, if any, between the parties;

Comparison of the unresolved issues relative to the employees in the bargaining unit with those issues related to other public and private employees doing comparable work, giving consideration to factors peculiar to the area and classification involved;

The interests and welfare of the public, the ability of the public employer to finance and administer the issues proposed, and the effect of the adjustments on the normal standard of public service;

The lawful authority of the public employer;

Any stipulations of the parties;

Such other factors, not confined to those listed above, which are normally or traditionally taken into consideration in the determination of the issues submitted to mutually agreed-upon dispute settlement procedures in the public service or in private employment.

III. UNRESOLVED ISSUE

1. The only open issue for determination is wages.

Union Proposal

1 st year of agreement -	3% increase
2 nd year of agreement -	3% increase
3 rd year of agreement -	3% increase

City Proposal

1 st year of agreement -	1% lump sum payment
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2 nd year of agreement -	1% lump sum payment
3 rd year of agreement -	wage reopener

Relevant Facts

As already set forth, City management has worked hard to maintain services, including public safety, in the face of steep economic decline. The City's unions have cooperated by accepting economic packages in keeping with the City's financial condition. However, as also stated above, the police officers have not received a wage increase (apart from lump sum payment) in approximately six and a-half years.

The approximate cost of the Union's proposal is \$4200 per year, or \$12,600 over the three-year contract term. According to the Union, the City can afford this proposal. Its current carryover is \$317,000; and general fund expenditures last year exceeded \$3 million. Despite the City's difficult economic circumstances, income tax revenues have not declined.

Traditionally the City has been grouped with four other Ohio municipalities in terms of employee compensation: Campbell, Girard, Salem and E. Liverpool. At this time, Struthers is the second-lowest paying of this group.

Finding and Recommendation

At the hearing the parties were able to agree on a wage package consistent with the facts stated above, including the City's ability to pay and the lack of any wage increases for police officers over such an extended time period. Therefore, the following changes to Article 21 of the Agreement (Salaries and Wages) are based on such facts and are hereby recommended:

ARTICLE 21
SALARIES AND WAGES

Section 1. Base Salaries and Wages. The following reflects the base rates of pay for bargaining unit members during the course of this agreement.

Effective upon execution, bargaining unit member rates of pay shall be as follows:

<u>Classification</u>	<u>Annual Salary</u>	<u>Hourly Rate</u>
Probationary Rate	\$34,819.20	\$16.74
Patrolman	\$41,184.00	\$19.80

~~Effective January 1, 2010, and continuing to the expiration of the agreement, bargaining unit members hired after the execution date of the agreement shall be paid as follows. Members hired prior to the execution date of the agreement shall not suffer a reduction in pay as a result of the implementation of the step system and shall advance to the top rate at their next anniversary date.~~

Section 2. 2014 compensation. *Effective the first pay period in 2014 all bargaining unit members shall receive a two percent (2%) wage increase and be paid in accordance with the following wage schedule:*

<u>Classification – Patrolman</u>	<u>Annual Salary</u>		<u>Hourly Rate</u>	
Probationary Rate	\$34,819.20	35,515.58	\$16.74	17.07
After 1 year full-time service	\$36,410.39	37,138.60	\$17.50	17.86
After 2 years full-time service	\$38,001.58	38,761.61	\$18.27	18.64
After 3 years full-time service	\$39,592.77	40,384.63	\$19.03	19.42
After 4 years full-time service	\$41,184.00	42,007.68	\$19.80	20.20

Section 3. 2015 compensation. *Effective the first pay period in 2015 all bargaining unit members shall receive a two percent (2%) wage increase and be paid in accordance with the following wage schedule:*

<u>Classification – Patrolman</u>	<u>Annual Salary</u>		<u>Hourly Rate</u>	
Probationary Rate	\$34,819.20	36,225.90	\$16.74	17.42
After 1 year full-time service	\$36,410.39	37,881.37	\$17.50	18.21
After 2 years full-time service	\$38,001.58	39,536.84	\$18.27	19.01
After 3 years full-time service	\$39,592.77	41,192.32	\$19.03	19.80

After 4 years full-time service ~~\$41,184.00~~ **42,847.83** ~~\$19.80~~ **20.60**


Section 4. 2016 Compensation. *Effective the first pay period in 2016 all bargaining unit members shall receive a one percent (1%) wage increase and be paid in accordance with the following wage schedule:*

<u>Classification – Patrolman</u>	<u>Annual Salary</u>		<u>Hourly Rate</u>	
Probationary Rate	\$34,819.20	36,588.15	\$16.74	17.59
After 1 year full-time service	\$36,410.39	38,260.18	\$17.50	18.39
After 2 years full-time service	\$38,001.58	39,932.21	\$18.27	19.20
After 3 years full-time service	\$39,592.77	41,604.24	\$19.03	20.00
After 4 years full-time service	\$41,184.00	43,276.31	\$19.80	20.81

Section 5. Supervisor’s Wages. Only the senior officer on the appropriate turn shall be permitted to perform the supervisor’s duties if the supervisor is absent. When the senior officer performs the duties of the supervisor for a single shift or more, he shall be paid the supervisor’s hourly rate, less five cents (\$.05) per hour.

Section 6. One-Time Lump Sum Payment. *On or before March 31, 2014, all bargaining unit members shall receive a one-time lump sum payment of four hundred dollars (\$400.00).*

Respectfully submitted,



Jeffrey A. Belkin
Fact-Finder

Shaker Heights, Ohio
January 15, 2014