

MICHIGAN EMPLOYMENT RELATIONS COMMISSION
ACT 312 ARBITRATION

In the Matter between:

CITY OF WESTLAND

-and-

POLICE OFFICERS ASSOCIATION
OF MICHIGAN

No. D85 E-1650

Issued: October 14, 1987

//

OPINION AND AWARD OF THE ACT 312 PANEL

Panel:

Elaine Frost, Chair
C. Charles Bokos, Employer Delegate
Richard Ringer, Union Delegate

Appearances:

For the City: Angelo A. Plakas, Attorney

For the Association: William Birdseye, Business Agent

Called by the Union:

Michael Terry, Police Officer
Ann Maurer, Business Agent and Labor Economist
P.O. Robert Hysko, Association Treasurer
P.O. Richard Ringer, Association President
P.O. John Handzlik

Called by the City:

Andrew Spisak, Director of Police Community Relations
Joseph W. Fremont, Director Labor Relations Services, MML
Robert Daly, Bokos & Plakas employee
Robert Matzo, City Assessor
Al Gaiss, Labor Relations Director
Kenneth Kunkel, Accountant, Plante & Moran
William L. Rechlin, Former Chief of Police
Michael Gorman, Finance Director-Treasurer
Kathryn Sonnanstine, Actuary, Gabriel, Roeder Smith & Co.
Brian Oakley, Bokos & Plakas Employee
Anthony S. Guerriero, Attorney, Bokos & Plakas
Fred N. Dansby, Chief of Police

INTRODUCTION

After attempting to negotiate and then to mediate a successor contract to the 1982-85 Agreement between the City of Westland ("City") and the Police Officers Association of Michigan and the Westland Police Officers Association (Its Affiliate) ("Union"), the Union filed a petition on May 27, 1986 for arbitration under Act 312, Public Acts of 1969, as amended (MCL 423.231, et seq.) ("Act 312" or "the Act"). The Michigan Employment Relations Commission ("MERC") appointed the chair on June 16, 1986. A pre-hearing conference was held on August 13, 1986. The Employer filed a Reply To Petition on or about September 19, 1986. A second pre-hearing conference was then held on September 22, 1986. As a result of the pre-hearing conferences the parties clarified issues and determined that all issues before the Panel would be "economic" within the meaning of Section 8 of the Act (1969 MCLA 423.238). The hearing was held on October 27, October 31, December 10, December 22, 1986 and on January 5, March 26, April 1, May 11 and May 28, 1987. All hearings were conducted at the MERC offices in Detroit, Michigan. The panel met in executive session on August 11, September 2 and September 22, 1987, at the offices of the City's attorney.

At the start of the hearing, the following stipulations were noted:

1. The parties waive the time limits set forth in Act 312.
2. The panel consisting of Elaine Frost, Chair, C. Charles Bokos, Employer Delegate and Richard Ringer, Union Delegate, was properly constituted and has jurisdiction to hear all the issues.
3. Retroactivity shall go to the first day of the contract year in which an economic matter applies although it is understood that some economic matters such as insurance coverage are incapable of retroactivity and, therefore, are excluded.
4. Dearborn Heights, Roseville, Royal Oak, St. Clair Shores and Taylor are comparable communities to Westland within the meaning of Act 312, Sec. 9(d)(1) (Act 312, 1969 MCLA 423.239).

1 / At the first executive session the panel considered the City's request to change what it claimed was a typo in its Last Best Offer ("LBO") on vacations. A majority of the panel accepted that explanation and granted this request notwithstanding the Union's objection.

The parties also that the issues placed before the 312 panel were:

1. Duration
2. Wages for Police Officers
 - a. 1985-86
 - b. 1986-87
 - c. 1987-88
3. Wages for Dispatchers
 - a. 1985-86
 - b. 1986-87
 - c. 1987-88
4. Pension - Escalator
5. Pension - Final Average Compensation²
6. Pension - 25 & out
7. Longevity
8. Vacations
9. Work Schedule for Dispatchers
10. Duty Disability Benefits
11. Dispatchers Duties; number of dispatchers on duty at one time
12. Number of two-man patrol cars
13. New Hire Benefits

As determined at the pre-hearing, the Union proceeded first as to issues one through nine and the City first on issues 10 through 13.

BACKGROUND

Andrew Spisak, Director of Police Community Relations, was a police officer in Westland since the inception of the Department in October, 1966. He explained there were 33 officers total and a population in Westland of about 60,000 to 62,000 in 1966 and the police were stationed in the basement of City

2 / Issue 5 was withdrawn by Union, in its LBO.

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hall with the detective bureau in another building. (II:10, 11) Spisak said the City started hiring in 1967 and reached a peak employment level of 101 in 1978. He also said that in 1968 the Police Department moved into its own building and then into another new building in 1975. (II:13-16). But, he continued, in 1979 or 1980 the City started losing outside funding, leading to a general cutback. (II:17, 19, 23).⁴ Spisak also said that in the early years Westland was booming but growth has ceased dramatically. (II:31).

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Robert Matzo, City Assessor since January 1982 echoed the theme of a dramatic cessation of growth. As one example, he explained that there have been fewer than 150 new home starts per year over the past five years. (III:38).

Michael Terry, Police Officer, gave a different view, testifying that we have a "rather booming industrial area, the northwest end and midwest section, which is largely young. We have approximately three... large industrial complexes in various states of building." (I:15). In addition to Westland Shopping Center and K-Mart, Terry continued that a Crowley's, an Art Van and a Target are being built and Westland enjoys a variety of small industry and several hospitals and medical centers. (I:16, 17, 54).⁶ There was no dispute, however, from any witness that the majority of Westland is residential. (I:17, III:10, IV:50). Terry also estimated that "one-fourth of the City is undeveloped." (I:17). But Matzo contradicted this, testifying that 5% or less of the land in Westland is available for development. (III:44).

3 / Transcript references are "I:" for the hearing of 10/27/86; "II:" for 10/31/86; "III:" for 12/10/86; "IV:" for 12/22/86; "V:" for 1/5/87; "VI:" for 3/26/87; "VII:" for 4/1/87; "VIII:" for 5/11/87 and "IX:" for 5/28/87.

4 / Spisak also explained there were about 600 City employees in 1979 while the number is now down to about 300 and the 1978-79 population was about 80,000. (II:23).

5 / Matzo was also Director of Economic Development from January 1982 to May 1986 and from May 1974 to May 1980 was Director of Finance and City Treasurer.

6 / Terry acknowledged, however, that he did not know the SEV or comparison of current to last years SEV or statistics on square footage of new building. (I:52).

As of October 21, 1986, there were 92 employees in the Police Department including Chief William Rechlin, two Inspectors -- one in charge of the uniformed division and one of the non-uniformed division (Fred Dansby was in charge of shifts)⁷ -- five Lieutenants, 17 Sergeants and 64 patrol officers and three civilian dispatchers. The uniformed division is divided into traffic and patrol and the non-uniformed bureau includes the detective, juvenile, intelligence and narcotics bureaus.

Al Gaiss, Labor Relations Director, explained that there are five unions which bargain with the City and they are: Supervisors (general employees), AFSCME Local 1602, Firefighters, IAFF Local 1279, Police Lieutenants & Sergeants and the P.O.A.M. (police officers and civilian dispatchers). (III:78). There has never been a 312 proceeding between Westland and its Police Officers although there have been two Act 312 proceedings between the City and its firefighters.

Background with respect to to demographics, size and property value in Westland, is set forth below in the discussion on comparables. Background with respect City finances is set forth below in the section on wages.

COMPARABLE COMMUNITIES

The Union contends that the communities of Ann Arbor, Dearborn, Farmington Hills, Livonia, Pontiac, Southfield, Sterling Heights, Troy and Warren are "comparable communities."⁸ The City disagrees, claiming the

7 / After this information was provided at the hearing, Rechlin retired and Dansby was appointed as his successor.

8 / In its post-hearing brief, the Union contends that the City acquiesced in the addition of all these communities, with the possible exception of Troy, to the list of comparables. In its post-hearing brief, the City maintained that the Union had abandoned its claim that Troy was comparable. The chair determines that the City did not waive its ability to challenge the additional, disputed comparables by presenting proofs as to those communities or by the fashion in which it presented those proofs. As to Troy, that city is addressed separately, below.

only comparables are those to which both parties agreed, namely: Dearborn Heights, Roseville, Royal Oak, St. Clair Shores, Taylor and Westland.

Ann Maurer, Business Agent and Labor Economics, testified in support of the additional, disputed comparables that the Union chose as its list all cities in the Detroit-Ann Arbor Michigan Consolidated Metropolitan Statistical Area with a 1984 population of between 50,000 and 999,999.⁹ Thus, she continued, the Union simply adopted for its own use the criteria the US Department of Commerce uses to determine that there is economic and social integration within the area.¹⁰ (II:46). Maurer also explained that she considered other factors which might affect comparability, but found that none of them showed enough deviation to exclude any of the cities.¹¹ (II: 50, 52).

In his testimony, Joseph W. Fremont, Director Labor Relations Services, MML, said that there are many criteria which can be taken into account to determine "comparable communities" and he added that different factors are used by different arbitrators. (II:102, 104). In general, he continued, as many factors as there are data for should be considered.¹² (II:107).

9 / Areas qualifying for recognition as metropolitan statistical areas have either a city with a population of at least 50,000 or a Bureau of the Census urbanized areas of at least 50,000 and a total metropolitan statistical area population of at least 100,000." (Union #1)

Maurer added that the 50,000 population breakpoint is a benchmark which was used by Michigan Municipal League ("MML"). (II:71). In his testimony Joseph W. Fremont, Director Labor Relations Services, MML, disagreed that the MML ever provided any such benchmark and stressed current efforts to overcome misconceptions that it had ever done so.

10 / "The general concept of a metropolitan statistical area is one of a large population nucleus, together with adjacent communities which have a high degree of economic and social integration with the nucleus." (Union #1) In his testimony, Fremont criticized the Union's use of this standard by the Union, contending that it showed only how the satellite communities relate to the nucleus but not how the satellites, such as the cities on the Union's list, would relate to each other. (II:105).

11 / Among the other factors Maurer mentioned considering but ruling out were geographic area (I:40), population, similar size, departments and employees, number of employees, millage rate, SEV and per capital income. (I:46).

12 / In opposition to the inclusion of the additional comparables proposed by the Union, the City provided a total of 68 exhibits.

In resolving the question of comparability,¹³ the panel chair started with the five agreed to communities and used them, as a set, to establish a range against which to consider the disputed comparables. From all the factors on which data was provided, the panel chair found the most persuasive were those on population, number of patrol officers, square mileage, total SEV, SEV per capita and residential SEV as a % of the total SEV.¹⁴ (The chair thought these

factors most clearly identified important similarities and differences between communities which would allow them to be identified as comparable or not comparable to Westland).¹⁵ After the examination under each factor, the chair

determined which communities stood sufficiently apart from Westland and the agreed to comparables such that those communities were not comparable. Then, the panel chair considered the results of this process for all the factors in combination and determined that communities which were distinctively different on three or more factors would be excluded from the final list of comparables and that all others would be placed on that list. The data and results are set forth below.

13 / Section 9 (d)(1) of the Act addresses comparison of wages, hours and other conditions of employment with what those of other public employees in "comparable communities." Act 312 does not, however, define "comparable." Reference to a dictionary gives the definition of "comparable" as "worthy of comparison" and in turn gives the definition of "comparison" as "1. a comparing or being compared; estimation of similarities and differences 2. sufficient likeness to make meaningful comparison possible." Webster's New World Dictionary, 2nd College Edition, Simon & Schuster 1982.

14 / It is a matter of judgment as to what factors are significance and as to the degree which makes the differences "outstanding." In describing this loosely defined process, the panel chair agrees with the City's approach which is to conclude that at some point the difference in amount becomes a difference in kind.

15 / In light of the agreed, comparable communities, the panel chair found no significant differences among the disputed communities based on geographic proximity to Westland. For instance, none of the disputed, comparables were farther away from Westland than the stipulated comparable of St. Clair Shores. Also, the data on millage rates was determined of no significance after reviewing those of the disputed communities in light of those of the agreed to communities, because no pattern was found which might allow for the distinction the City urged.

Total population
1980 (1984)16

Dearborn Heights	80,069	(63,081)
Roseville	54,311	(52,043)
Royal Oak	70,893	(67,436)
St.Clair Shores	76,210	(71,695)
Taylor	77,568	(73,179)
Westland	84,603	(81,143)
Ann Arbor	107,966	(107,673)
Dearborn	90,660	(86,960)
Farmington Hills	58,056	(63,038)
Livonia	104,814	(100,363)
Pontiac	76,715	(70,973)
Southfield	75,568	(73,405)
Sterling Heights	108,999	(109,440)
Troy	—	(67,403)
Warren	161,134	(152,035)

Based on this data Warren stands out as being so large that it does not, based on this factor, appear to the panel chair to be comparable to Westland.

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Number of Patrol officers
(City #4)

Dearborn Heights	49
Roseville	59
Royal Oak	63
St.Clair Shores	62
Taylor	47
Westland	64
Ann Arbor	94
Dearborn	129
Farmington Hills	56
Livonia	87
Pontiac	122
Southfield	112
Sterling Heights	116
Troy	—
Warren	87

Based on this data, Southfield, Sterling Heights, Pontiac and Dearborn stand out as being so large that they do not, based on this factor, appear to be comparable.

16 / Union #1 used 1984 population (Local Population Estimates, East North Central, 1984 Population for Counties and Incorporated Places, U.S. Department of Commerce, Bureau of the Census, Series P-26, No. 84-ENC-SC). The City #1 used the 1980 U.S. Census figures.

17 / The City's witness explained that this data was compiled through telephone calls and that the number for Dearborn includes both police officers and corporals because it considered both ranks to be patrol officers.

Square Miles:
(City #2)

Dearborn Heights	12.08
Roseville	9.5
Royal Oak	11.9
St. Clair Shores	11.6
Taylor	23.63
Westland	20.42
Ann Arbor	25.1
Dearborn	24.44
Farmington Hills	34
Livonia	35.86
Pontiac	21
Southfield	26.6
Sterling Heights	36
Troy	--
Warren	36

Based on this data, Sterling Heights, Warren and Livonia stand out as being so large that they do not, based on this factor, appear to the panel chair to be comparable to Westland.

<u>Total SEV</u>	1984 (City #15)	1985 (City #39)	1986 (City #64)
Dearborn Heights	599,766,730	600,689,080	602,538,790
Roseville	481,360,104	494,672,248	518,964,374
Royal Oak	700,819,700	733,396,200	733,396,200
St. Clair Shores	724,482,951	741,351,358	754,214,660
Taylor	567,928,800	570,444,970	578,737,060
Westland	609,459,810	615,852,560	659,775,060
Ann Arbor	1,330,479,300	1,366,186,500	1,433,638,400
Dearborn	1,848,210,769	1,782,966,203	1,841,593,840
Farmington Hills	996,159,938	1,114,045,950	1,248,645,175
Livonia	1,542,329,480	1,594,304,590	1,663,204,290
Pontiac	707,642,500	722,551,200	759,802,100
Southfield	1,393,241,900	1,537,923,450	1,635,564,150
Sterling Heights	1,346,411,300	1,408,849,500	1,496,808,700
Troy	--	--	--
Warren	2,126,036,175	2,127,555,110	2,223,079,254

18 / The total of residential, industrial, commercial and personal property SEV's make up the total SEV. (III:49) The panel chair thinks that the wealth of a community as measured by various aspects of its SEV is an important measure of comparability.

Matzo testified that the difference between 1985 and 1986 SEV, an increase, is due to inflation which accounts for 3.5%, and new construction in the commercial sector -- shopping center, strip stores and apartment buildings. (III:63-65). He also noted that between 1982 and 1985 there was a 10% decrease in residential property value but the 1986 figure shows an upturn. (III:20).

Based on this data, Warren, Dearborn, Livonia, Southfield, Sterling Heights, Ann Arbor and Farmington Hills stand out as being so large that they do not, on this factor, appear comparable to the panel chair.

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<u>SEV Per Capita</u>	1984 (City #19)	1985 (City #25)	1986 (City #86)
Dearborn Heights	7,491	7,502	7,525
Roseville	8,863	9,108	9,555
Royal Oak	9,886	10,345	10,436
St. Clair Shores	9,506	9,728	9,897
Taylor	7,322	7,354	7,461
Westland	7,204	7,279	7,798
Ann Arbor	12,323	12,654	13,279
Dearborn	20,386	19,667	20,313
Farmington Hills	17,159	19,189	21,508
Livonia	15,149	15,211	15,868
Pontiac	9,224	9,419	9,904
Southfield	18,437	20,352	21,644
Sterling Heights	12,353	12,925	13,732
Troy	--	--	--
Warren	13,194	13,203	13,796

Based on this data, Dearborn, Southfield and Farmington Hills stand out as being so large that they do not appear to be comparable.

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<u>SEV Residential as a Percentage of SEV Total</u>	1984 (City #13)	1985 (City #21)	1986 (City #43)
Dearborn Heights	85%	84%	84%
Roseville	61%	60%	57%
Royal Oak	73%	72%	71.1%
St. Clair Shores	84%	82%	81%
Taylor	58%	56%	56%
Westland	68%	68%	64%
Ann Arbor	55.36%	54.55%	53.18%
Dearborn	40%	41%	40%
Farmington Hills	70.36%	65.2%	63.2%
Livonia	61%	60%	59%
Pontiac	30%	29%	29%

19 / The panel chair thought that SEV per capital should be included based on concept set forth in City #79 and the argument surrounding it.

20 / Westland's industrial tax base, according to Matzo, is 3% of its SEV. (III:45). The panel chair thought this was important factor because of the compounding effect of non-residential which has the ability to generate personal property SEV (III:43).

Southfield	43.41%	39.06%	36.71%
Sterling Heights	64%	62%	61%
Troy	—	—	—
Warren	53%	52%	50%

Based on this data, Ann Arbor, Warren, Southfield, Dearborn and Pontiac stand out as being so large that they do not, on this factor, appear comparable to the panel chair.

Having consider the factors above, the panel chair determined that Warren, Southfield and Dearborn, identified as dissimilar under four factors, and Sterling Heights, identified as dissimilar under three factors, are sufficiently different from Westland that they are not "comparable communities." In excluding these four cities, the chair was also mindful of other arguments and proofs forwarded in support of their comparability, but she found that evidence unpersuasive in light of the analysis set forth above.

Finally, the panel chair determines that the city of Troy should be excluded from the list of comparables. At the hearing on December 22, 1986 the City objected to the references, in Union #1, to Troy as a potential comparable

21 / These other factors included the list of comparables used in prior Act 312 proceedings between the City of Westland -and- IAFF Local 1279 and the considerations of the Local Officers Compensation Commission ("LOCC") which set the wage increases for the Mayor and City Council members, effective in March, 1987. (Union #22A to F and Union #33).

In the Bernard Klein award of September 17, 1985 (D83 K-2631) the same list of comparables was used as in the prior Peter E. O'Rourke award of December 14, 1981 (D-80 F-3101). The list was: Ann Arbor, Canton, Dearborn, Dearborn Heights, Garden City, Inkster, Livonia, Plymouth Township, Pontiac, Redford Township, Southfield, Sterling Heights, Taylor, Wayne and Westland. The chair finds the Union's contention unpersuasive because Warren is not even on that list and because the prior list of comparables — which included many smaller and potentially less wealthy communities than the list proposed in this case by the Union — was not determined by the Act 312 process but was agreed to by the parties. (O'Rourke award, page 4).

In reaching its conclusion, the LOCC used a list of 13 cities which included Ann Arbor, Dearborn, Dearborn Heights, Farmington Hills, Livonia, Pontiac, Royal Oak, Southfield, Sterling Heights, Taylor, Troy, Warren as comparables to Westland. (But Union #22B set forth seven communities and #22C used nine). Although this list of 13 includes Warren, Dearborn, Southfield and Sterling Heights, the panel chair is not persuaded to include them in the present case as comparables because the LOCC and not the City created the noted list of comparables (VII:132, 140, 149, 156) and because there is nothing to reveal the LOCC's basis for choosing those communities.

comparable because, it claimed, Troy had never been mentioned by the Union at the pre-hearing or at the beginning of the hearing when the list of stipulated and agreed to communities was placed on the record. (IV:6). The Union strenuously argued that since Troy fell within the framework of statistical area and population size which it had annouced as its standards for determining comparability, that Troy should clearly be considered. It also points out that its exhibit #1 included Troy and had been admitted without objection. The panel chair determined that she was going to decide on the inclusion or exclusion of Troy "on the basis of whatever it was that we said on October 27th," meaning at the start of the hearing when the stipulated and disputed communities were named. (IV:8). Having since check that reference, the panel chair finds that Troy was clearly not named, and instead the list of Union comparables previously identified at the pre-hearing was set forth.²² Consistent with the conditional ruling made at the hearing, the chair excludes Troy from consideration as a comparable. She also notes that to include this community in the fashion the Union suggests would needlessly place an element of surprise into the proofs and unfairly burden the City which was expected to prepare all of its comparability and other exhibits in advance of the hearing.

In conclusion, the panel chair finds that the comparable communities for this proceeding are:

Ann Arbor
Dearborn Heights
Farmington Hills
Livonia
Pontiac
Roseville
Royal Oak
St. Clair Shores
Taylor
Westland

²² / The panel chair said that "those eight include: Ann Arbor, Dearborn, Farmington Hills, Livonia, Pontiac, Southfield, Sterling Heights and Warren." (I:5) The Union agreed the chair covered the stipulations properly. (I:6).

1. DURATION

As determined by their Last Best Offers ("LBO's"), both parties agreed to duration of three years. The term of the Agreement is, therefore, from July 1, 1985 through June 30, 1988.

WAGES

Background - The 1982-85 Contract

The police officers base wage prior to negotiation of the 1982-85 contract was \$25,711 and employees paid 5% of their wages into their Act 345 pension plan.²³ The wage results and changes in the employees' pension contribution over the course of the 1982-85 contract were:

	Wages ²⁴	Wage Increase	Pension Contribution By Employee
7/1/82	\$25,711	0	5%
7/1/83	\$25,711	0	2%
7/1/84	\$26,869	4.5	0% as of 1/1/84

It is clear that the police unit agreed to the pickup of the employees' pension contribution in lieu of wages and that this was a mutual accommodation by the parties due to Westland's difficult financial circumstances.²⁵ (IV:30-31, 83-84, IV:113). No other Westland employees or the firefighters have this benefit. For the last year of the prior contract, the City's Audit reveals an unreserved fund balance of \$711,967 for FY 1984-85.²⁶ (City #82).

Background - Fiscal Year 1985-86

²⁷ Accountant Kenneth Kunkel, explained that the City did not budget any wage increase for police officers for FY 1985-86, but that he suggested an

23 / Westland police and fire personnel are under the Act 345 pension plan.

24 / This reflects the four year level which is full pay for a police officer.

25 / Amounts spent on pension benefits are paid for by funds raised through a special, unlimited which reimburses the general fund. (IV:113, V:69, 71).

26 / The Fiscal Year ("FY") runs from July 1st to June 30th.

27 / Kunkel, an accountant with Plante & Moran, specializes in governmental auditing and has audited the books for Westland since 1964.

adjustment for anticipated, retroactive wage payments, so 4% was recorded in the Audit for FY 1985-86. (IV: 98-100, 109). That Audit reflects an unreserved fund balance of \$248,625. (City #130)

The 1985-86 Audit also reveals certain special revenue fund balances including \$430,923 from federal revenue sharing²⁸ which could have been spent on police wages but instead went for computers²⁹ and parks equipment. Thus, Gorman testified that this money, as with other special revenue fund balances, is not available for salaries because it is already committed. (VII:122).

Background - Fiscal Year 1986-87

There is an approved budget for FY 1986-87 (City #84) and it does not include an increase for the police. (IV:91, 98, V:19). This budget calls for a reduction in work force of 11 employees as of October 1, 1986,³⁰ Gorman and the Budget Amendment 87-5 (City #129, 9/12/86), which stayed those eleven layoffs, explain that these people were kept on because of unexpected federal revenue sharing, totalling \$111,586, and other unanticipated savings.³¹ (IV:109, V:39).

Using the 1986-87 Budget, Kunkel explained the sources of general fund revenues and the items of general fund expenditures. He explained that the

28 / Kunkel testified that federal revenue sharing started in 1972, that this money was "basically without strings," so it could be used for police salaries and that about 3% of the revenue sharing was used for police salaries. (IV:69, 71). The amount of federal revenue sharing received for 1985-86 was \$681,375 and this was about the same as the payments made in 1984-85 -- \$687,131 and 1983-84 -- \$560,682). (IV:71, City #91).

29 / Gorman said that some of the computer money was spent for general government and \$104,00 was for police communications system. (VII:129). He also said some of the contracts were signed after negotiations began on the new police contract. (VII:123-24).

30 / Four pipeman and one fire inspector, four dispatchers, one park maintenance man and one receptionist/switchboard. (IV:109, V:40).

31 / The other aspects of savings were identified as \$49,000 from the State for firefighters; overtime, \$20,000 for interest on Tax Anticipation Notes under budgeted this expenditure, and \$40,000 underbudgeting on the expenditure for the repair of the Bailey Center roof. (City #129). The Mayor referred to these monies "one-time-only" revenues and Gorman said it's not likely the City will get so luck again this year. (City #128, V:41)

general fund revenues for 1986-87 were derived from the following sources: 45% from property taxes for a total of \$9,847,000; 5% from licenses, fines, etc. for a total of \$965,810; 14% from charges for services for a total of \$2,953,500; 7% from highway reimbursement for a total of \$1,381,000 and 27% from state shared revenue for a total of \$5,681,600. This adds up to total revenues for 1986-87 of \$20,828,910. (City #113). Kunkel added that this revenue outline does not include the \$111,586 in federal revenue which Westland received after the 1986-87 budget was completed.³²

Kunkel explained that the general fund expenditures for 1986-87 were, by function: 24% for police for a total of \$5,087,500 (of this about 90%, or \$4,439,500 being salaries and fringes);³³ 26% for other services for a total of \$5,357,725, 4% for motor pool for a total of \$805,000; 11% for sanitation for a total of \$2,282,500; 5% for court for a total of \$1,020,000; 3% for debt service for a total of \$668,250; 7% for recreation for a total of \$1,512,000; 6% for public service for a total of \$1,203,500 and 14% for fire for a total of \$2,876,800. This adds up to total expenditures of \$20,813,275. (City #115).³⁴

Kunkel explained that for the 1986-87 Budget the City started with an unallocated balance at of \$711,000, that adding to that the \$20,828,910 of 1986-87 revenues and subtracting the expenditures of \$20,813,275, left a projected general fund balance as of June 30, 1987 of \$726,635. (IV:77-78, City #84). But with the 1985-86 audit, Kunkel continued, it appears that the balance of \$726,000 is going to be closer to \$265,000, after providing an estimated wage settlement for police and fire and AFSCNE as of June, 1986. (IV:77-78).

32 / It is undisputed that federal revenue sharing for 1987-88 is zero. (IV:69, IV:110).

33 / In FY 1983-84 26.30% of the general fund went to Police; in FY 1984-85 25.25% went to Police and in FY 1985-86 25.90% went to Police. (City #85, 87, 89).

34 / Kunkel said about 60% of all City expenses are wages and fringes. (IV:72). Not unusual for 60-70% of expenses of a governmental unit to go to salaries. (IV:95).

Kunkel also commented that the fiscal condition in Westland is "fair," is "tight." (IV:110). He explained that contingencies not budgetted for will realistically occur and that the current fund balance of about \$250,000 is³⁵ dangerously low. (V:39, V:19).

During FY 1986-87 the City sought two additional mills to support police and fire services. This millage was defeated 9,027 votes to 5,520 at the November 4, 1986 election. (City #132) Gorman testified that the Union and City worked together to try to get the millage passed and they had an agreement that if this passed one mill would go to maintain current services, covering the loss of about \$600,000 in federal revenue money, and one mill would be used for new personnel and equipment. (V:9). Gorman also testified that six millages elec-³⁶tions since 1978 have also gone down to defeat. (V:9).

Background - Fiscal Year 1987-88

The proposed Budget for 1987-88 sets forth an estimated beginning and ending unallocated fund balance of \$20,000. (City #127). Starting from the audited fund balance of \$248,625, from the 1985-85 audit, Gorman explained that in the proposed Budget for 1987-88 the administration used \$200,000 of this to cover current operations. Since \$20,000 is estimated fund balance in 1987-88 Budget, there is difference of \$28,000 and this, per Gorman, (VII:117) is an "adjustment that the auditors probably will make at year end for a motor pool entry." Gorman also said that an estimated fund balance of \$20,000 is dangerously low. (VII:115). As examples of contingencies that Westland cannot face with this fund balance, he cited five outstanding workers compensation cases and

³⁵ / Kunkel explained that a general fund balance, according to generally accepted standards, should be 10% of revenues which, for Westland, would be about \$2 million. (IV:78). He also said that the City was forced to borrow \$700,000 in June, 1986 to get through into July when its tax monies started coming in. (IV:79)

³⁶ / Kunkel similarly testified to defeat of several millages in the past. (IV:53-54).

several outstanding lawsuits. (VII:115-116)

The Mayor has an April 1, 1987 coverletter to Council with the proposed 1987-88 Budget. The letter explains the budget reduces expenditures to ³⁸ \$242,533.00 by 11 layoffs and cuts in non-mandated services areas including the closing of the swimming pool and arena. (City #128). Gorman added that the 1987-88 proposed Budget eliminates all part-time positions except some in parks and recreation, limits operating budgets and chops professional services. He concurred with the comment in the Mayor's coverletter that it is a "barebones" budget. (VII:131).

Finally, there is evidence on the record about wage increases given to the Mayor, the seven City Council members and the 20 or 21 directors/department heads in Spring, 1987. (VII:127, 139, Union #33). The Mayor and City Council received the increases determined by the Local Officer's Compensation Commission ³⁹ ("LOCC") For directors, the Mayor recommends and the Council approved their raises which covered January 1, 1986 to June 30, 1987. ⁴⁰ These raises, per ⁴¹ Gorman, affect the 1987-88 budget which includes them. (VII:128).

37 / Gorman explained that the City is self-insured on the workers compensation and liable for first \$50,000 on the lawsuit. (VII:115-116). He also said that the City has a special reserve of \$106,000 for workers compensation cases but that this is not enough. (VII:119)

38 / Gorman said he recommended 22 layoffs, effective January 1, 1988, to make up this the deficit. (VII:109). He also said he had recommended 23 layoffs as of July 1, 1987. Finally, he said that even with 3% or 4% increases there will be layoffs.

39 / The seven-member LOCC has been in existence since 1970 and the current Mayor has appointed two of its members. (VII:139, 156). Gorman said the LOCC meets each two years and raised the Mayor from \$48,988 to \$61,290, and the Council from \$6,076 to \$8,755 as of March 2, 1987 (VII:132).

40 / Gorman explained that with this raise the directors gave up accumulated sick pay (VII:133) phased out car allowances and had their vacation entitlements reduced. (VII:136).

41 / Gorman also said that the money was used for the directors, Local 1602, Lieutenants and Sergeants and general fund employees and now the money is gone. (VII:129).

Background - Millage

During the time of the Act 312 hearings, the City had levied 7.8 of the 8.0 operating mills which were authorized. (V:75). Gorman explained that City Council decided not to levy the full amount because it thought that action might cause an unfavorable result in the special millage election on police and fire in November, 1986. (V:75). After that was defeated, the Mayor requested that Council authorize the additional .2 mills to levy the full charter limit, but the record does not reveal if that has happened. (VII:114-15).

Background - Cost of Living

The City provided proofs on cost of living and the Union did not. Fremont presented an analysis of cost of living changes using the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for Urban Wage Earners ("CPIW") (V:100, City #116). He compared the changes in the CPIW and to the increases received by the police since the beginning of the 1982-85 contract (including added take home due to the pension pick-up) and up through July, 1987. He concluded that real wages for police had risen 2.35% because their net wages went up slightly over 10% and prices went up about 7.5%. (V:113, City #117). He also noted that inflation has only been about 2.37% since July, 1985. (V:114) Fremont concluded that the purchasing power of employees, from June, 1982 to November, 1986, remained basically the same so that anything the Act 312 panel awards prior to November, 1986 would increase their real wages (V:112, 114). He also concluded that if the employees received a 3% increase in the first two contract years, they would enjoy an almost 4% increase in real wages over what they earned in June, 1982. (V:116, City #117).

2a. WAGES FOR POLICE OFFICERS 1985-86

UNION LBO: Seven (7.5%) percent.

CITY LBO: Four (4.0%) percent. However, if the percent of salary increases awarded by the Panel should exceed a total of eight (8.0%) percent in any two year period, then the City's last best offer is reduced to three (3.0%).

CURRENT LANGUAGE:

Article XIII - Wages

	<u>1 Year</u>	<u>2 Years</u>	<u>3 Years</u>	<u>4 Years</u>
7/1/84:	21,324	22,745	24,168	26,869

The Union's demand would provide:

Article XIII - Wages

	<u>1 Year</u>	<u>2 Years</u>	<u>3 Years</u>	<u>4 Years</u>
7/1/85:	22,923	24,451	25,981	28,884

The City's offer would provide:

Article XIII - Wages

	<u>1 Year</u>	<u>2 Years</u>	<u>3 Years</u>	<u>4 Years</u>
7/1/85:	22,177 (21,964)	23,655 (23,427)	25,135 (24,893)	27,944 (27,675)

DISCUSSION: As to base wages⁴² in comparable communities the panel considered the following wages for July 1, 1984 to June 30, 1985:

Ann Arbor	30,075
Dearborn Heights	25,654
Farmington Hills	28,196
Livonia	26,718 (1/2 yr @ 26,125 & 1/2 yr @ 27,310)
Pontiac	27,860
Roseville	28,245
Royal Oak	28,070
St. Clair Shores	28,718
Taylor	26,570
Westland	26,869 (Union #26)

Westland ranks seventh among these comparables. The average wage for the group is \$27,728 and the Westland base salary is \$859 below that average. The panel also considered the following wages for July 1, 1985 to June 30, 1986:

Ann Arbor	30,997
Dearborn Heights	26,680
Farmington Hills	30,206
Livonia	28,132 (1/2 yr @ 27,310 & 1/2 yr @ 28,954)
Pontiac	30,161 (1/2 yr @ 29,425 & 1/2 yr @ 30,896)

⁴² / The data set forth does not show cost of living (Dearborn Heights, Farmington Hills, Pontiac, Roseville, Royal Oak, St. Clair Shores and Taylor and some form of this), pension pickups (Westland has 5% and Pontiac has 2.5%, gun, uniform, longevity and various other allowances (it is assumed all comparables have some combination of these allowances).

Roseville	29,375
Royal Oak	29,474
St. Clair Shores	In Act 312 (7/1/84 = 28,718)
Taylor	In Act 312 (7/1/84 = 26,570)

Westland	
Union LBO	28,884
City LBO	27,944 (27,675) (Union #26)

Westland ranks sixth among the eight (including Westland) with settled wages for 1985-86.⁴³ The average wage among the eight is \$29,238.63 and Westland with the Union's LBO is \$354 below that figure. Under either variation of the City's LBO, Westland would rank seventh among the comparables and the average wage would be \$29,121 (\$29,088) with Westland \$1177 (\$1413) below that average.

Although not part of the base wage, the 5% pension pickup is worth \$1442 under the Union's LBO and \$1397 (\$1384) under the City's LBO.

The panel also considered the relationship between base wages⁴⁴ of the Westland police officers and Westland Firefighters. They compare as follows from July 1, 1979 to June 30, 1980:

Police	21,840	Fire	21,840	(Union #6)
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from July 1, 1980 to June 30, 1981:

Police	23,588	Fire	23,369
(Police advantage over Fire: 0.94%) (Union #6)			

from July 1, 1981 to June 30, 1982:

Police	25,711	Fire	25,239
(Police advantage over Fire: 1.67%) (Union #6)			

from July 1, 1982 to June 30, 1983:

Police	25,711	Fire	25,239
(Police advantage over Fire: 1.87%) (Union #6)			

⁴³ / The panel chair considered factoring in unsettled communities at current rates but since there seemed a mix, some higher, some lower, among the unsettled, the panel chair decided only to use the comparables with settled wages.

⁴⁴ / Firefighters are necessarily paid for one hour of overtime a week and this is not reflected by this wage data. ((V:37-38). Gorman also testified that police earn \$12.98 per hour (based on 2080 hours) while firefighters earn \$9.80 per hour (based on 2912 hours). (V:82-84).

from July 1, 1983 to June 30, 1984:

Police	25,711	Fire	27,384
(Fire advantage over Police: 6.11% (Union #6)			

Police	26,869	Fire	28,754
(Fire advantage over Police: 6.59% (Union #6)			

Neither Westland Police nor Fire employees have reached a new contract for wages effective July 1, 1985 and any years thereafter.

ARGUMENTS: The Union contends its LBO's more fairly places Westland police officers in relationship to officers in comparable communities. It also stresses that they have "paid and double paid" for the 5% pension pickup and that the employees were clearly helping out the City when it took this benefit instead of wages and they should not be handicapped by having done so. It also stresses that the City has experienced a decrease, not increase, in pension contribution amounts and in light of this it should not be allowed a "discount" for the 5%. Finally, the Union stresses its unfavorable comparison with the Westland firefighters and urges the panel to correct this situation.

The City contends its LBO is fair because it is consistent with its financial ability to pay, with wages of comparable employees in other communities and with City employees in other units. It also claims its LBO will raise police officers real wages, that the Union's LBO is excessive and ignores the 5% pension pickup which means a substantial sum of money in the employees' pockets. Finally, the City urges that layoffs are going to be required regardless of what amount is awarded and that its LBO, therefore, is the better choice.

DECISION: The majority of the panel has considered the record in light of the criteria set forth in Section 9(a) of Act 312 and has decided that
45
3% for the first year should be accepted. Among the considerations are that


45 / The panel chair notes that she considers the conditional form of the City's offers to be inconsistent with the directive given at the hearing (I:8) and the pre-hearing that separate LBO's for each year be provided instead of package offers. She does not, in this case, however, disqualify the City's LBO's because the directive may not have been clearly understood.

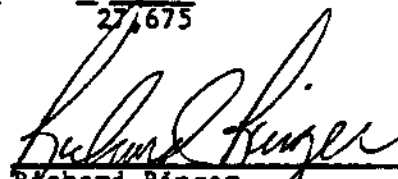
the Union's LBO appeared to move the police officers up in base pay, in relationship to the Westland firefighters and the police in comparable communities, as if the wage freeze of 1982 and 1983 had been totally uncompensated. (The benefit of the pension pickup seems to the majority of the panel to be a factor which will always affect wages although it admittedly has not cost the City as much as it has gained for the employees and it has, because it is not part of base wage, no effect on many other current and pension benefits tied to base wage). The LBO of 7.5% also appeared to the majority to be too high in light of the City's strained finances. Another reason the majority accepted the City's 3% LBO was because of the awards made by this 312 panel in the second and third years of the contract and with respect to longevity.

AWARD: Article XIII - Wages

	<u>1 Year</u>	<u>2 Years</u>	<u>3 Years</u>	<u>4 Years</u>
7/1/85:	21,964	23,427	24,893	27,675


Elaine Frost, Chair


C. Charles Bokos,
Employer Delegate
(CONCUR/~~DISSENT~~)


Richard Ringer,
Union Delegate
(CONCUR/DISSENT)

2b. WAGES FOR POLICE OFFICERS 1986-87

UNION LBO: Four and one-half (4.5%) percent.

CITY LBO: Three and one-half (3.5%) percent. However, if the percent of salary increases awarded by the Panel should exceed a total of eight (8.0%) percent in any two year period, then the City's last best offer is reduced to three (3.0%).

DISCUSSION: At the fourth step, the Union's LBO, in light of the award in the first contract year, would amount to \$28,920 and the City's would be \$28,644 (\$28,505).

As to base wages in comparable communities the panel considered the following for July 1, 1986 to June 30, 1987:

Ann Arbor	In neg (7/1/85 = 30,997)
Dearborn Heights	27,993
Farmington Hills	31,414

Livonia	29,609 (1/2 yr @ 28,954 & 1/2 yr @ 30,264)
Pontiac	31,669 (1/2 yr @ 30,896 & 1/2 yr @ 32,441)
Roseville	30,844
Royal Oak	In neg (6/1/85 = 29,474)
St. Clair Shores	In Act 312 (7/1/84 = 28,718)
Taylor	In Act 312 (7/1/84 = 26,570)

Westland	
Union LBO	28,920
City LBO	28,644 (28,505) (Union #26)

Of the six settled (including Westland) communities, Westland ranks 5th under the Union's LBO. The average base wage is \$30,075 and Westland is \$1155 below that figure. Under the City's LBO's Westland ranks 5th and the average base wage is \$30,029 (\$30,006) and Westland is \$1389 (\$1501) below that figure.


Although not part of the base wage, the 5% pension pickup is worth \$1446 under the Union's LBO and \$1432 (\$1425) under the City's LBO.


DECISION: A majority of the panel, particularly in light of the award on the first year and of the relative standing of Westland police among their counterparts in comparable communities who have settled contracts, has decided that the Union's LBO is most consistent with the criteria set forth in Sec. 9(a).

AWARD: Article XIII - Wages

	<u>1 Year</u>	<u>2 Years</u>	<u>3 Years</u>	<u>4 Years</u>
7/1/86:	<u>22,952</u>	<u>24,481</u>	<u>26,013</u>	<u>28,920</u>


Elaine Frost, Chair


C. Charles Bokos,
Employer Delegate
(~~CONCUR~~/DISSENT)


Richard Ringer,
Union Delegate
(CONCUR/DISSENT)

2c. WAGES FOR POLICE OFFICERS 1987-88

UNION LBO: Four and one-half (4.5%) percent.

CITY LBO: Three (3.0%) percent.

DISCUSSION: As to base wages in comparable communities the panel considered the following wages for July 1, 1987 to June 30, 1988:

Ann Arbor	In neg (7/1/85 = 30,997)
Dearborn Heights	29,113
Farmington Hills	Unsettled (7/1/86 = 31,414)
Livonia	1/2 year of 31,179, unsettled as to rest
Pontiac	32,441 for 1/2 year, unsettled as to rest
Roseville	32,078
Royal Oak	In neg (6/1/85 = 29,474)
St. Clair Shores	In Act 312 (7/1/84 = 28,718)
Taylor	In Act 312 (7/1/84 = 26,570)

Westland	
Union LBO	30,221
City LBO	29,788

(Union #26)

Of the five (including Westland) settled comparables, under the Union's LBO the average base wage is \$30,815 and Westland is \$594 below that figure. Under the City's LBO the average base wage is \$30,728 and Westland is \$940 below average.

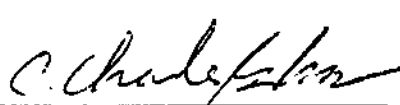
Although not part of the base wage, the 5% pension pickup is worth \$1511 under the Union's LBO and \$1489 under the City's LBO.

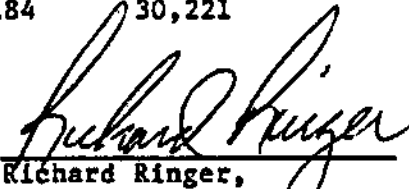
DECISION: A majority of the panel, particularly in light of the award on the first year and on the relative standing of Westland police among their counterparts in comparable communities who have settled contracts, has decided that the Union's LBO is most consistent with the criteria set forth in Sec. 9(a).

AWARD: Article XIII - Wages

	<u>1 Year</u>	<u>2 Years</u>	<u>3 Years</u>	<u>4 Years</u>
7/1/87:	23,985	25,583	27,184	30,221


Elaine Frost, Chair


C. Charles Bokos,
Employer Delegate
(CONCUR/DISSENT)


Richard Ringer,
Union Delegate
(CONCUR/DISSENT)

3a. WAGES FOR DISPATCHERS 1985-86

UNION LBO: Change Article XIII to read for dispatchers:

ARTICLE XIII
WAGES

General Wage Scale - Dispatcher

The top rate of Dispatcher (end of 4 years) shall be established at 70% of top rate for Police Officer (4 years). Incremental steps for Dispatcher shall be determined as follows:

At the end of 4 Years	70% of top Police Officer
At the end of 3 Year	96.67% of top Dispatcher
At the end of 2 Years	93.34% of top Dispatcher
At the end of 1 Year	90.00% of top Dispatcher
At the end of 6 Months	86.28% of top Dispatcher
Start	75.14% of top Dispatcher

CITY LBO: Five (5.0%) percent.

CURRENT CONTRACT: ARTICLE XIII WAGES
General Wage Scale - Dispatcher

7/1/84: Start	11,500
At the end of 6 Months	13,204
At the end of 1 Year	13,774
At the end of 2 Years	14,284
At the end of 3 Years	14,794
At the end of 4 Years	15,304

46

DISCUSSION: As to comparables, the Union provided the following data for base wages for dispatchers as of July, 1984:

Ann Arbor	23,516	
Farmington Hills	17,665	
Livonia	23,008	(1/2 yr @ 22,506 & 1/2 yr @ 23,519)
Pontiac	15,125	
Royal Oak	17,434	
Westland	15,304	(Union #7)

As to comparables, the Union provided the following data for base wages for dispatchers as of July, 1985:

Ann Arbor	In neg (7/1/84 = 23,516)
Farmington Hills	18,195
Livonia	24,048 (1/2 yr @ 23,519 & 1/2 yr @ 24,577)
Pontiac	23,390
Royal Oak	18,307 (Union #7)
Westland	
Union's LBO	19,373
City's LBO	16,069

47

According to the City's exhibit on comparables the full scale

46 / Dearborn uses sworn officers or police cadets. (VI:10, City #93). It also appears undisputed that St. Clair Shores and Taylor do not use dispatchers.

47 / The City does not identify the year for this exhibit either on it or in testimony (V:23). The panel chair assumes it covers 1985 because City #94 covers 1985 and because City #94 uses the 1985 Westland dispatcher rate.

dispatchers in the comparable communities earn the following figures:

Farmington Hills	18,923
Livonia	24,586
Pontiac	23,390
Roseville	18,511

Also, in contradiction to the Union's exhibit, the City's states that dispatching in Ann Arbor is done by sworn officers who receive 3% above patrolman's base salary. (City #93). It also disagrees that Royal Oak has dispatchers, instead setting forth in its exhibit that sworn officers do this work.(City #93).

Clearly the two sets of proofs do not mesh. One of the things that is clear, however, is that applying the Union's formula to the 1985-86 police officer award of \$27,675, would give the full scale dispatcher \$19,373 which is a 26.59% increase.

Finally, there was considerable testimony at the hearing concerning the duties of the civilian dispatchers in Westland, and this is discussed in detail under Issue 11, "Dispatcher Duties."

ARGUMENTS: The City argues that its LBO is substantial while that of the Union is excessive. It also argues, based on its comparison of duties set forth in City #147, that the civilian dispatchers in Westland perform far fewer duties than those in the communities for which wage information has been given. The Union stresses that the LBO's of both parties illustrate agreement in principle to effectuate an equity adjustment for dispatchers. The Union also argues that its LBO more closely approaches the wage scales of the comparables.⁴⁸

DECISION: Because the panel finds no support for changing the format of paying dispatchers, so as to establish a formula tied to police officer wages; because of the sketchy and conflicting nature of the proofs on comparables; and because of the size of the increase the Union seeks, a majority of the panel has decided that the City's LBO is more consistent with the provisions of Sec.9(a).


⁴⁸ / In its brief, the Union cites recent settlements for Livonia, Southfield and Sterling Heights. The panel chair has decided not to accept this information into the record, since it is set forth in a brief.


AWARD: Article XIII - Wages
13.2 General Wage Scale - Dispatcher

7-1-85 Start \$12,075

At end of 6 months	\$13,864
At end of 1 year	\$14,463
At end of 2 years	\$14,998
At end of 3 years	\$15,534
At end of 4 years	\$16,069


Elaine Frost, Chair


C. Charles Bokos,
Employer Delegate
(CONCUR/~~DISSENT~~)


Richard Ringer,
Union Delegate
(CONCUR/DISSENT)

3b. WAGES FOR DISPATCHERS 1986-87

UNION LBO: Apply the same formula as proposed in the first year.

CITY LBO: Ten (10.0%) percent.

DISCUSSION: Applying the Union's formula to the 1986-87 police officer award of \$28,920 the full scale dispatcher would earn \$20,244.

As to comparables, the Union provided the following data for base wages for dispatchers as of July, 1986:

Ann Arbor	In neg (7/1/84 = 23,516)
Farmington Hills	19,680
Livonia	1/2 yr @ 24,577 & 1/2 yr unsettled
Pontiac	24,559
Royal Oak	In neg (6/1/85 = 18,307) (Union #7)
Westland	
Union's LBO	20,244
City's LBO	17,675

DECISION: For the same reasons as a majority of the panel accepted the City's offer for the first year, it has decided that the City's LBO is more consistent with the criteria set forth in Sec. 9(a).

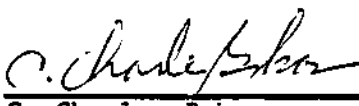
AWARD: Article XIII - Wages
13.2 General Wage Scale - Dispatcher

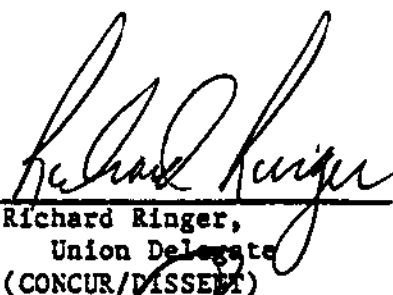
7-1-86 Start \$13,282

At end of 6 months	\$15,250
At end of 1 year	\$15,909
At end of 2 years	\$16,497
At end of 3 years	\$17,087

At end of 4 years \$17,675


Elaine Frost, Chair


C. Charles Bokos,
Employer Delegate
(CONCUR/ ~~DISSENT~~)


Richard Ringer,
Union Delegate
(CONCUR/DISSENT)

3C. WAGES FOR DISPATCHERS 1987-88

UNION LBO: Apply the same formula as proposed in the first year.

CITY LBO: Fifteen (15.0%) percent.

DISCUSSION: Applying the Union's formula to the 1987-88 police officer award of \$30,221, the full scale dispatcher would earn \$21,155.

As to comparables, the Union provided the following data for base wages for dispatchers as of July, 1987:

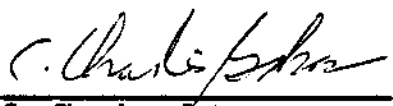
Ann Arbor	In neg (7/1/84 = 23,516)
Farmington Hills	21,000
Livonia	Unsettled (12/1/85 = 24,577)
Pontiac	25,786
Royal Oak	In neg (6/1/85 = 18,307) (Union #7)
Westland	
Union's LBO	21,155
City's LBO	20,326

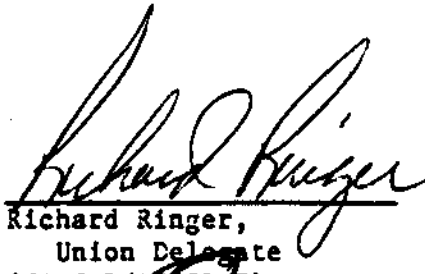
DECISION: For the same reasons as a majority of the panel accepted the City's offer for the first year, it has decided that the City's LBO is more consistent with the criteria set forth in Sec. 9(a).

AWARD: Article XIII - Wages
13.2 General Wage Scale - Dispatcher

7-1-87	Start	\$15,274
	At end of 6 months	\$17,538
	At end of 1 year	\$18,295
	At end of 2 years	\$18,972
	At end of 3 years	\$19,650
	At end of 4 years	\$20,326


Elaine Frost, Chair


C. Charles Bokos,
Employer Delegate
(CONCUR/ ~~DISSENT~~)


Richard Ringer,
Union Delegate
(CONCUR/DISSENT)

4. PENSION - ESCALATOR

UNION LBO: Add new language:

..... Cost of Living for Retirees. Bargaining unit members who retire shall receive, in addition to their entitled pension benefit, a pension escalator added to that original amount which shall be an additional two percent (2.0%) of original amount each year on each January 1st following the date of retirement.

CITY LBO: Status Quo

DISCUSSION: Maurer explained the Union's proposal of a simple
49
escalator is essential to offset the lost of a pensioner's purchasing power
50
due to inflation. At present none of the Westland employees covered by Act
345 pensions have an escalator (Union #12) whereas general government employees,
including civilian dispatchers, have a simple 2.5% escalator under the Michigan
Municipal Employees Retirement System ("MERS"). (Union #20, #21, VII:47). It is
also clear that the Act 345 employees are not covered by social security whereas
other Westland employees are and that a compound escalator provision is part of
51
the social security system. (VII:45,49, Union #32).

Auditor J. Kathryn Sonnanstine, Gabriel, Roeder, Smith & Company
52
("GRS"), provided an actuarial valuation with respect to the cost to the City
of a 2.0% escalator, determining that it would cost an additional 7.86% of

49 / Under a simple 2% escalator a hypothetical pension entitlement of \$100
would become \$102 the second year, \$104 the third and so forth, adding 2% of the
original sum on each year. A compound escalator, however, would add 2% of the
last year's retirement total instead of 2% of the original sum.

50 / Thus, as shown in Union #25, the pension of a 50-year old retiree, using
\$17,500 for example, would result in a loss of purchasing power of approximately
\$700 per year, using a 4% inflation factor. The Union exhibit compares this to
impact of inflation on a Westland employee with a MERS pension who, by age 75
will see an increase of \$4,636 in purchasing power because that pension has a
simple escalator and there is a compound escalator under social security. (But
a police officer by the same age will suffer a purchasing power loss of \$29,152).

51 / All Westland employees can participate in PEBSCO deferred compensation
system which is not covered or affected by the contract. About 35 police
officers participate in this program. (VII:79-80)

52 / GRS has been the actuary on the Westland plan for 13 years. (VII:10) Each
year it provides the actuarial report to the City and the Pension Board setting
forth the necessary amount of the City's contribution to fund the pension plan.

payroll and that the increase in Unfunded Accrued Liabilities ("UAL") would be \$1,046,809. (Union #19, City #118).⁵⁴

As part of its proofs, the Union presented documentation from the City's actuary to the Act 345 pension board which set forth three alternative assumptions, any one of which could lower the City's contribution to the pension plan.⁵⁵ At its September 15, 1986 meeting, the Police & Fire Retirement Board chose an option between alternative A and B, lowering the City's annual contribution from 26.58% to 23.00%. (City #120). Sonnanstine explained that the change was basically in the assumed rate of return on investments, from 7.0% to 7.5%, using the same inflation factor. (VII:74-75).

As to comparisons with other communities, Sonnanstine testified that Trenton is the only one of the 41 Act 345 communities in the GRS state-wide survey⁵⁶ which has an automatic post-retirement increase and, she added, the

53 / This is the figure with a 26 year amortization of UAL and the exhibit also sets forth a figure for a 40 year schedule and that percentage is 7.05% (Union #19). Currently, the Pension Board has used a 26 year period (VII:10) although, Sonnanstine explained, they will be using 25 years when GRS does the 1986 report. (VII:12).

54 / In the City exhibit Sonnanstine sets forth an actuarial valuation for a 3% simple escalator for which she projected the cost would be an additional 11.80% of payroll contribution, with UAL amounting to \$1,570,214. (City #118) In her testimony Sonnanstine explained that this valuation could be adjusted to a 2% escalator by reducing the projections by one third (VII:34). With these calculations, the totals are the same as set forth in Union #19.

55 / Union #18 is dated 8/15/86. It sets forth the present of 26.53% of payroll contributed by the City (this includes fire and police command as well as chiefs of both department; the average contribution for the patrol unit members only is 25.82% per Union #17). Alternative A was projected to lower the City's pension contribution by 2.25% to 24.33; alternative B was projected to lower the City's pension contribution by 6.76% to 19.82% and alternative C was projected to lower the City's pension contribution by 10.98% to 15.60%. (The changes in assumptions which could merit these reductions basically concern changes in the projected rate of inflation and rate of return on fund investments).

56 / The 1985 GRS survey of public employee pension programs does not include all communities within the State.

57

Union's proposal is not the same as the provision in Trenton. (VII:25-26).

Other comparative evidence came from the Union in its exhibit Union #17, setting forth pension plan information for Westland, Ann Arbor, Dearborn Heights, Farmington Hills, Livonia, Pontiac, Roseville, Royal Oak, St. Clair Shores, Taylor and Westland. It reveals that there are cost of living provisions for four -- Ann Arbor (adjustments made every two years to eligible retirants and beneficiaries), Livonia (benefit increases \$120 annually first 5 years of retirement), Pontiac (2% of original benefit for first 12.5 years) and Roseville (15% at 5 years and 15% compounded at 10 years).⁵⁸

Evidence from the City included its exhibit #133 which compares the pension benefits of a police officer to those which would be received by a top paid employee in the supervisor's unit. Providing both employees with 16 years of paid pension benefits, this example calculates that the police officer will receive \$38,255 more than what the general employee would receive from both MERS and social security.⁵⁹

ARGUMENTS: The Union contends a serious inequity is imposed on the retired police officer whose unescalated pension benefit compares unfavorably with those of general city employees who receive an escalated city pension plus social security which contains a second escalated benefit. The City responds that the proposal is unreasonable, that pension benefits for this unit rank

57 / She also testified that 14 of the 41 Act 345 units in the GRS survey are covered by social security in addition to their police pension plan, and that at least one, maybe two of the Act 345 communities not in the survey also have social security. (VII:57). Union #17 also reveals that Livonia, Dearborn Heights and Farmington Hills police are covered by social security in addition to their pension plans. (Among these, Dearborn Heights is an Act 345 city).

58 / Ann Arbor has a pension system under its ordinance, Livonia has an ordinance system and social security, Pontiac and Roseville both have plans established by their charters.

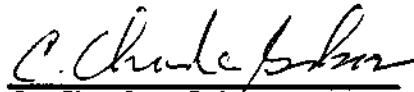
59 / Gaiss also testified that pension of City employees under MERS would start out at about half the value of what the police officers receive under the Act 345 plan. (VII:91, 95).

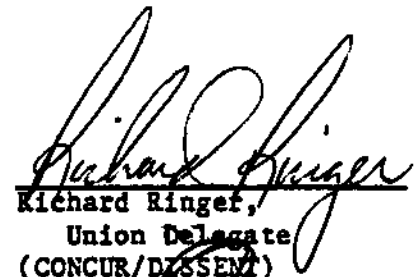
among the best when compared to any within or without the city and that the Union's proposal is very costly and one which the City cannot afford.

DECISION: In deciding that the City's LBO should be adopted, a majority of the panel has been particularly impressed by the fact that an automatic increase is rare under Act 345 pension plans and it has also felt that the cost of the proposal, which is projected as 7.8% of payroll, would be an extremely expensive one, especially in light of the panel's award on the second pension issue.

AWARD: Status Quo


Elaine Frost, Chair


C. Charles Bokos,
Employer Delegate
(CONCUR ~~DISSENT~~)


Richard Ringer,
Union Delegate
(CONCUR/DISSENT)

6. PENSION - 25 & OUT

UNION LBO: Add language new language to be effective June 30, 1988:

Police officers shall be permitted to receive a normal retirement after 25 years of service, regardless of age.

CITY LBO: Status Quo

DISCUSSION: The parties agree that the current provisions for Westland police allow them to retire after serving 25 years and attaining age 50 or after attaining age 60 regardless of service. (Union #12, #24, #17, City #123).⁶⁰ It is also clear that employees covered by Act 345 can buy military time in order to help meet their service requirement. (VII:4, 66).

As to comparatives, Union #17 sets forth this pension information:

Ann Arbor	(25 years and out - Old Plan, New Plan has 55 with 10 years service)
Dearborn Heights	(25 years and age 50 or can take special, early retirement with 18 years of service, regardless of age)

⁶⁰ / Article XXXIX of the contract does not appear to set forth any age requirement and Act 345 sets forth age 55. Nonetheless the parties appear in agreement on this matter.

Farmington Hills	(25 years and age 50)
Livonia	(10 years and age 52)
Pontiac	(25 years and out or 20 years and age 50)
Roseville	(20 years and age 50 or 10 years and age 55)
Royal Oak	(25 years and age 50 or 10 years and age 55)
St. Clair Shores	(25 years and out or age 60 regardless of service)
Taylor	(25 years and out or age 60 regardless of service)
Westland	(25 years and age 50 or age 60 regardless of service)

In its comparative data, the City listed pertinent benefits which differed, in part, from those the Union provided. Thus, City #123 disagrees with Union #17 in these respects: as to Dearborn Heights it does not have any special, early retirement provision; as to Livonia the City adds "30 years at age 50;" as to Pontiac the City exhibit reveals 25 years of service at 50, as to Roseville it says "20 years of service;" as to Royal Oak it states "25 years of service at age 50 or 5 years at age 55."⁶¹

Sonnanstine provided an actuarial valuation with respect to the cost to the City of the "25 and out" option, determining that it would be 3.07% of payroll and would produce an UAL of \$397,037. (Union #19, City #118).⁶²

ARGUMENTS: The Union contends that its LSO should be accepted because a clear majority of the comparables have this benefit or better. Next it claims that granting this benefit would allow officers greater ability to secure coverage under social security which, unlike the Act 345 pension, has a mechanism to offset the impact of inflation. Finally, the Union argues that its proposal would not create an additional cost for the City since decreased costs in maintaining the pension system would allow the City to granted this benefit

⁶¹ / The source material supplied along with Union #17 reveals as to Pontiac and Royal Oak that the GRS survey is the same as what the Union reports in #17.

⁶² / This projection is based on a 26 year amortization period of the UAL and the percentage would fall to 2.76% if a 40 year amortization period were used.


and still achieve a savings in its annual contribution. The City opposes this benefit because it would allow many officers to retire with full pension benefits at a very early age. (The City gives the example of an officer hired at 18 who then acquires 25 years of service by age 43). Further, the City argues that it should not be liable for several additional years of pension benefits for such young retirees and that the costs of the new benefits would place a great burden on the taxpayers in the form of an increased millage. Finally, the City argues that adoption of the proposal would cost the City the benefit of the services of seniorty officers who possess skills and years of experience needed by the Department.

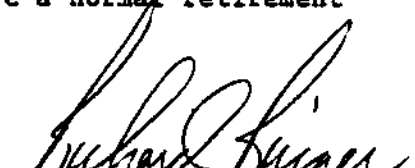
DECISION: A majority of the panel is persuaded that this benefit should be part of the new contract. The present 25 years and age 50 requirement appears to be less favorable than most of the comparatives -- four of the nine other than Westland have "25 and out" (Ann Arbor - old plan, Pontiac, St. Clair Shores and Taylor), and an additional two (Livonia and Roseville), have different, but also more lenient provisions than does Westland. Further, it appears to the panel that the cost of this benefit, which 3.07% of payroll, is approximately offset by the lowering of the City's contribution rate from from 26.58% to 23.00% (City #120), so that further costs need not be imposed on the taxpayers.

AWARD: Article XXXIX new language to be effective June 30, 1988:

Police officers shall be permitted to receive a normal retirement after 25 years of service, regardless of age.


Elaine Frost, Chair


C. Charles Bokos,
Employer Delegate
(CONCUR/DISSENT)


Richard Ringer,
Union Delegate
(CONCUR/DISSENT)

7. LONGEVITY

UNION LBO: Would change Article XV Sec. 15.1 to read:

15.1: Longevity pay at the rate of Thirty-Five (\$35.00) Dollars per year will be paid each July 1. Longevity is paid after completing three (3) years of service as a police officer with the City. Longevity shall not apply to Dispatchers.

CITY LBO: Article XV - Longevity

15.1: Patrol officers shall receive \$150.00 after completing three (3) years of service as a police officer with the City of Westland and \$50.00 per year for each year of service thereafter. Payment of longevity pay shall be made as part of the first payroll in July each year. The anniversary date for the purpose of determining eligibility for longevity pay, shall be the date of appointment to the Westland Police Department. Longevity shall not apply to Dispatchers.

CURRENT LANGUAGE: ARTICLE XV, LONGEVITY

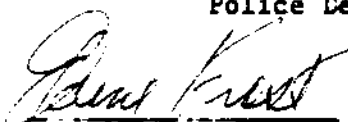
15.1: Longevity pay at the rate of Thirty-Five (\$35.00) Dollars per year up to a maximum of Five Hundred (\$500.00) Dollars will be paid each July 1. Longevity is paid after completing three (3) years of service as a police officer with the City. Longevity shall not apply to Dispatchers.


DISCUSSION & ARGUMENTS: The parties both recognize that the City's LBO on this issue is the more generous. The Union, therefore, asks that the City's be accepted and the City counters that it should be accepted only if the Union's wage offers as to the first two years are rejected.

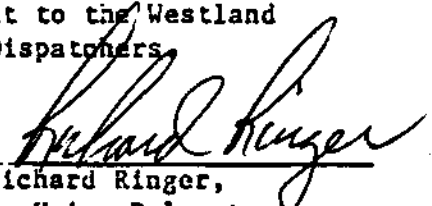
DECISION: A majority of the panel find that the City's LBO offer should be accepted, particularly in light of the award given to police officers in the first year of the contract.

AWARD: Article XV - Longevity

15.1: Patrol officers shall receive \$150.00 after completing three (3) years of service as a police officer with the City of Westland and \$50.00 per year for each year of service thereafter. Payment of longevity pay shall be made as part of the first payroll in July each year. The anniversary date for the purpose of determining eligibility for longevity pay, shall be the date of appointment to the Westland Police Department. Longevity shall not apply to Dispatchers.


Elaine Frost, Chair


C. Charles Bokos,
Employer Delegate
(CONCUR/ ~~DISSENT~~)


Richard Ringer,
Union Delegate
(CONCUR/DISSENT)

8. VACATIONS

UNION LBO: Improve ARTICLE XXI, VACATIONS effective 1/1/88 as follows:

21.2: Vacations shall be earned in accordance with the following schedules:

POLICE OFFICERS

- A. Less than three (3) years One (1) vacation day per month.
- B. More than three (3) years One and one half (1 1/2) vacation
but less than seven (7) years days per month
- C. More than seven (7) years
but less than thirteen (13)
years Two (2) vacation days per month.
- D. More than thirteen (13) years
but less than fifteen (15) years Two and two tenths (2-2/10)
vacation days per month.
- E. More than Fifteen (15) years
but less than twenty (20) years Two and Six-tenths (2-6/10)
vacation days per month.
- F. More than twenty (20) years Three (3) vacation days per
month.

DISPATCHERS

- A. Less than one (1) year One half (1/2) vacation day
per month.
- B. Over one (1) year One (1) vacation day per
month.

CITY LBO: Status Quo

CURRENT LANGUAGE: ARTICLE XXI, VACATIONS

21.2: Vacations shall be earned in accordance with the following schedules:

POLICE OFFICERS

- A. Less than three (3) years One (1) vacation day per month.
- B. More than three (3) years One and one half (1 1/2) vacation
but less than seven (7) years days per month
- C. More than seven (7) years Two (2) vacation days per month.

DISPATCHERS

- A. Less than one (1) year One half (1/2) vacation day
per month.

B. Over one (1) year One (1) vacation day per month.


DISCUSSION: In support of its proposal the Union provided exhibit #30 (VIII:66) which compares vacation allotments for Westland patrol officers, firefighters and command police officers. It reveals that firefighters with 10 to 15 years of employment get 11 (24-hour) days per year, that with 15 to 20 years they get 13 (24-hour) days and that with 20+ years they get 15 (24-hour) days. The City presented Gaiss' testimony on this issue. (VIII:66-78). He testified that employees in the supervisors unit get 18 days per year from a 260 work schedule for up to three years of employment, that they get 21 days per year for 3+ years and that they get 24 days per year for 7+ years. (VIII:70-71). As to Local 1602, he explained that they get 12 days per year for 0-3 years, 18 days per year for 3+ years, 20 days per year for 7+ years, 22 days per year for 10+ years and 24 per year for 15+ years. (VIII:71). As to directors Gaiss testified that they get 15 days per year for 0-4 years, 20 days per year for 5+ years and 25 days per year for 9+ years. (VIII:71). Gaiss also explained that police officers can accumulate vacation days, up to 240 hours, to sell back while firefighters lose vacation days if they are not used in the next half year after earned. (VIII:73, 78).

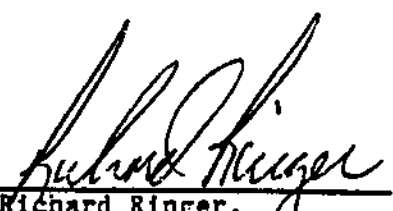
ARGUMENTS: The Union argues its LBO should be accepted because it would provide police with equal vacation time to what firefighters receive over the course of their respective careers. (After comparing those benefits over 25 years the firefighter receives 1.2 total days more than the police officer under the Union's LBO, using a 2.4 multiplier to convert firefighter days to police days). The City counters that police already receive generous vacation time compared to other City employees and it should not be put to the added expense of increasing those benefits as well as to the indirect costs additional vacations mean for computation of pensions.

DECISION: The Union seeks to increase the number of vacation days after 13 years of service, at the 13, 15 and 20 year intervals. A majority of the panel, however, finds no justification from the proofs before it to increase the vacation entitlement. The police officers' benefits are basically the same as those for the command officers and there appears to be no rationale behind the proposal other than a desire for an improvement.

AWARD: Status Quo


Elaine Frost, Chair


C. Charles Bokos,
Employer Delegate
(CONCUR/DESSERT)


Richard Ringer,
Union Delegate
(CONCUR/DESSERT)

.9. WORK SCHEDULE FOR DISPATCHERS

UNION LEO: Permanent shifts

CITY LEO: Status Quo

CURRENT LANGUAGE: ARTICLE XX, PERMANENT SHIFTS

20.1: Officers will be assigned to permanent shifts for a period not to exceed six (6) months. The cycles shall commence April 1 and October 1 and run for a period of six (6) months thereafter. Permanent shifts shall be determined on a seniority basis with each officer being permitted for a two (2) week period beginning thirty (30) days before the start of a new six (6) month shift. The City will post schedules ten (10) days prior to the beginning of the six (6) month shift cycle.

20.2: Police Officers shall be permitted, by the approval of their respective Command Officers, to voluntarily trade work shifts or leave days on a day for day basis. Permission to trade shall not be unreasonably withheld.

20.3: Permanent shifts shall apply to the three (3) uniform patrol shifts and the uniform overlap shifts. Permanent shifts shall not apply to Dispatchers.

DISCUSSION: On this issue Ringer testified that the three civilian dispatchers rotate onto all three shifts every 30 days. He stressed that they have worked this schedule since the dispatcher classification was established in 1982 and that the schedule imposes a hardship because each shift has different supervision and different procedures for dispatching and service.

(VIII:82). Chief Fred N. Dansby also testified about the dispatcher rotation,


saying it was a good thing because it gives dispatchers "a better idea what's going on in the City and it also prevents alliances..." (IX:48).


ARGUMENTS: The Union contends its LEO should be accepted to eliminate the inequality between police officers and dispatchers as to shifts. Thus, it stresses the importance and value of seniority as to bidding on shift preference and urges the panel to provide this benefit to dispatchers. The City counters that the status quo should be preserved because of the value of having dispatchers become familiar with personnel and procedures on each of the three shifts. Further, it claims the Union has demonstrated no need for a change.

DECISION: A majority of the panel has decided that the City's LEO should be adopted. In reaching this conclusion, the panel chair was of the opinion that any changes in dispatchers' work schedule should be made in conjunction with resolution of the other dispatcher issues concerning numbers and duties. Thus, the lack of improvement under this proposal is tied to the manner in which the panel has decided the other dispatcher issues even though the panel chair is generally impressed by the Union's hardship argument.

AWARD: Status quo.


Elaine Frost, Chair


C. Charles Bokos,
Employer Delegate
(CONCUR/~~DISSENT~~)


Richard Ringer,
Union Delegate
(CONCUR/~~DISSENT~~)

10. DUTY DISABILITY BENEFITS

CITY LEO: Modify Article XVII by adding a new section in place of Section 17.2, effective July 1, 1985, which shall provide:

Article XVII - Employee Injuries

- 17.2: After receiving an amount by the City sufficient to make up the difference between Worker's Compensation income and his/her regular weekly pay, up to a maximum of one (1) year as provided for in Section 9.5 of Article IX of the Contract, each full-time police officer and each probationary police officers who is unable to work as a the result of an injury or sickness arising out of and from the performance of his/her duty, shall be paid by the City at eighty

(80%) percent of his/her regular rate of pay for the duration of Worker's Compensation benefits, without loss of sick leave, until that patrol officer is granted an Act 345 duty disability retirement or normal retirement, whichever event shall first occur. All Worker's Compensation checks shall be signed and turned over to the City by the employee during such period of time as the employee is eligible for and is receiving eighty (80%) percent of his/her regular rate of pay under this section.

UNION LEO: Status Quo

CURRENT LANGUAGE: ARTICLE IX, EMPLOYEE'S RIGHTS, Section 9.5:

Each employee shall be covered by the applicable Worker's Compensation Laws. The City further agrees, that with the exception of Dispatchers, officers being eligible for Worker's Compensation income, shall receive an amount to be paid by the employer sufficient to make up the difference between Worker's Compensation income and his regularly weekly income up to a maximum of one (1) year.

ARTICLE XVII, EMPLOYEE INJURIES, Section 17.2:

If a Police Officer is completely disabled from an on the job event or while off duty and acting in the capacity of his oath of office and cannot perform any departmental duties, the Police Officer shall be relieved of his duties and shall receive from the City his current base pay of this and future contracts, and the continuance of the medical and life insurance plans of this and future contracts, until retirement or death, whichever comes first, providing the employee does not earn more than fifty (50%) percent of his base pay in other employment.

DISCUSSION: With respect to comparables, City #145 reveals several variations among the comparable communities as to how and by how much they supplement the income of duty disabled police officers who are receiving workers compensation benefits.

Ann Arbor	Pays to 100% for 1 year; pays to 70% afterward until duty disability retirement taken.
Dearborn Heights:	Pays to 100% for 1 year; duty disability retirement terminates benefits.
Farmington Hills:	Pays to 95% for up to 2 years.
Livonia:	Pays to 100% until duty disability retirement.
Pontiac:	Pays to 100% until receives disability annuity.
Roseville:	Pays to 80% for up to 1 year.

Royal Oak: Pays to 100% for 380 working hours; pays to 80% for the next 1700 working hours; pays to 66 2/3% after one year (with monthly cap of \$2,000) until employee reaches age 55.

St. Clair Shores: Pays to 100% until receives disability pension.

Taylor: Pays to 100% until retirement under Act 345.

Westland
Firefighter: Pays 100% for 2 years; pays to 75% for next 3 years
(In negotiations)

Westland
Command: Pays 100% for 2 years; pays to 75% for next 3 years; during first 5 years supplements to continue even after duty disability retirement taken

Westland
Supervisors: Pay to 100% for 2 years.

Westland
Local 1602: Pay to 100% for 2 years.

General Motors: No supplement to workers compensation.

Ford Motor Co: No supplement to workers compensation.

Chrysler Corp: No supplement to workers compensation.

Gorman testified that prior to 1980 the City's contract with the firefighters was "basically the same as the police," "unlimited," but the Act 312 O'Rourke award changed that contract to a one year supplement and then the Klein⁶³ award changed that to a two to three year settlement." (IX:15). Gorman also testified that there are six people currently on duty disability, two firefighters and four police officers, and three of these are receiving City supplements to their duty disability pensions. (IX:16). He added that P.O. Atweiss who is currently age 42 and disabled could collect a total of \$384,000 in the next 15 years with \$330,000 of that amount coming through workers compensation or direct City supplement while only \$55,000 of it is paid by duty disability

⁶³ / The Peter E. O'Rourke award of December 14, 1981 (MERC DD-80 F-3101) did not set forth the prior firefighters contract language nor does it specify the rationale for accepting the one year limit on supplemental payment. (Issue 17). The Bernard Klein award of September 17, 1985 (MER D83 K-2631) accepted the offer which implemented the current provision of 100% supplement for the first two years with 75% supplement for the next 3 years. (page 7).

pension (IX:17).

ARGUMENTS: The City argues its LBO should be adopted because the current workers compensation provision is an extraordinary benefit compared to other cities and it imposes an enormous cost on the City. It also argues that the provision it suggests properly balances the employees' need for a very high level of coverage while still providing a more reasonable cost to the City. In opposition, the Union contends that the City failed to explain why the current provision needs to be changed. The Union also contends that the City's offer has eliminated continuation of medical and life insurance as provided in the current Article 17.2 without any comment, and that the only conclusion the panel can draw is that the record lacks any evidence to support any change.

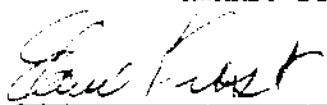
DECISION: It is clear that the parties disagree as to the meaning of "retirement" under the current contract — the Union adamantly maintaining that it means "normal retirement" while the City maintains it means disability or normal retirement. (IX:11-12, 33).⁶⁵ Regardless of who is correct on the meaning of the 1982-85 language, the City's LBO would remove any doubt. It would spell out the end point of the supplement as the taking of either disability or normal retirement. A second impact of the City's LBO would be to reduce the percentage amount of the supplement (after the first year), from 100% to 80%. In considering this issue and in discussions in executive sessions, the panel chair has expressed her view that this is an extremely generous benefit (if, indeed, the 100% supplement now extends through until normal retirement age, even assuming the disabled officer earlier took a disability retirement).


⁶⁴ / Gorman calculated the numbers as if the officer were 40 and 55 was the normal retirement age. (IX:17) It is unclear why 55 instead of 50 was used, see footnote 60.

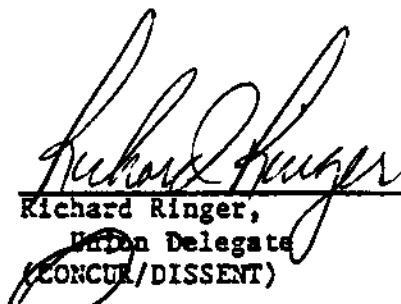
⁶⁵ / When the disagreement as to the meaning of the current language came up at the hearing, and a grievance was mentioned, the panel chair reminded the parties that she was not acting or authorized to act as a rights arbitrator to interpret the current language. (IX: 33-34).

The panel chair is also of the view that this benefit is so far ahead of anything the comparables have that the City is reasonably entitled to some reduction of its liability, especially as to officers on disability retirement. Notwithstanding these views, the panel chair has voted to maintain the status quo because to accept the City's LBO would make two substantial cutbacks on this benefit at one time and the panel chair does not think that such a drastic change could ever have resulted through the process of voluntary collective bargaining.

AWARD: Status Quo


Elaine Frost, Chair


C. Charles Bokos,
Employer Delegate
(CONCUR/DISSENT)


Richard Ringer,
Union Delegate
(CONCUR/DISSENT)

11. DISPATCHERS DUTIES; NUMBER OF DISPATCHERS ON DUTY AT ONE TIME

CITY LBO: Modify sections on dispatchers as follows:

Article XXXVI - Dispatchers

36.1: The City shall have the right to hire full-time civilians to perform dispatching work and duties now performed by members of the Association. More than one (1) dispatcher may be scheduled to be on duty at one time. Dispatchers will work under the direction of a police officers.

36.3: Dispatchers may do clerical work, take field incident reports, supplemental reports, and the like, provided that this work is performed inside the police station and provided they shall not take enforcement action upon the detection of an illegal act by way of issuance of citations, or by making physical arrest.

UNION LBO: Status Quo

CURRENT LANGUAGE: ARTICLE XXXVI, DISPATCHERS

36.1: The City shall have the right to hire full-time civilians to perform dispatching work and duties now performed by members of the Association. It is understood that while no more than one (1) than one dispatcher can be on duty at one time, this will not limit the number of full-time dispatchers the City may hire. It is further understood that the dispatchers will work under the direction of a police officer and all duties of the dispatcher will be confined to the area where the dispatching equipment is located.

36.2: The new position of dispatcher shall refer to the civilian dispatcher. It is recognized that at times a police officer may have to relieve or replace the dispatcher.

36.3: Dispatchers are not to take field incident reports or supplemental reports.

DISCUSSION: The civilian dispatcher position was added in 1982, by the last contract. They work in the radio room, directly behind the front desk lobby (I:40) and they work in conjunction with an officer on the desk. (IX:78).⁶⁶ Dispatchers are given specialized training to handle the job and its pressures. (IX:55, City #149).

Much of the testimony at the hearing concerned what dispatchers are doing or not doing and what, perhaps, they should be doing. Spisak testified that they dispatch cars over the police radio for calls for service, they run the LEIN machine checks at the requests of officers, they answer the phone, and they are responsible for typing up a log of the daily activities and dispatches. (I:63). Spisak testified that dispatchers can't take reports that a house had been ransacked or for a stolen bike but he thought they could take a file on home or business addresses and numbers for notification if there is a problem. (I:63). He added that the back desk officer, not the dispatcher, keeps track of the traffic tickets issued each day (I:63-64).

Chief Dansby testified that the issues in arbitration were how many dispatchers could be on duty at one time and what their duties would be. (IX:47). The Chief also said that he wants "that they can take police reports where people that come into the station, or either call in on the telephone. For instance, to report their bicycle stolen. And, miscellaneous." (IX:46).

⁶⁶ / Terry testified that on the afternoon shift, in the early evening, there would be two patrol officers in the station and a civilian dispatcher and usually a lieutenant or sergeant. One patrolman assigned for walk-in traffic, the other duties such as answering phones, we have a back desk officer which sits besides the dispatcher, processes reports, checks and feeds prisoners, answers the phone, and a civilian dispatcher who answers the phones, dispatches, types a log and operates the LEIN machine. He also said that on days it is substantially busier but the make-up is the same. (I:29-31).

Dansby explained that he needs more than one civilian at one time and wants duties changed because the City is going into police and fire central dispatching⁶⁷ and it would require two civilian dispatchers working at a time.⁶⁸ Insurance type reports, he stressed, are basically the main concern.(IX:49). Along with the Chief's testimony, City #148, exhibits A to K were provided and these are sample forms which the Chief would like to see dispatchers complete.⁶⁹ (IX:50). Dansby also testified that dispatchers are already "unofficially" filling out many of these forms even though they are supposed to be done by police officers, because the officers allow the dispatchers to do the work. (IX:66-67).

ARGUMENTS: The City contends that its LBO proposes minor but necessary changes in the number of civilian dispatchers on duty at one time and on the duties they may perform. It adds that the increased number has become necessary because of a new communications system and that the enlargement of duties is to increase the departmental efficiency by having civilian dispatchers perform some routine clerical work. The Union counters that the City is seeking to expand the number of dispatcher positions at the expense of the police officer⁷⁰ classification and that such action would undermine police officers' job

67 / The Chief said that the joint dispatcher came out of the Klein award and the proposal is to hire six more dispatchers for a total of nine. (IX:54) He also said Union dispatchers will take over fire calls expected although this has not negotiated with the Union.(IX:57) Both the City and Union agreed, however, that the only issues before the 312 panel are the number and duties. (IX:58-59).

68 / The Chief acknowledged, however, that these insurance reports are also reports of crimes with the exception of storm damage types of reports.(IX:60,62).

69 / The exhibits include a vacation form, a caution notice, a business card, a warrant envelope, a daily case report log, a form letter to owner of an impounded car, a log setting forth complaint, a report of traffic violations issued, an incident field report, a supplementary report and a LEIN sheet.


70 / Ringer testified that he attended a budget meeting on May 21, 1987 where the Chief was present and a council member said that he would replace one police officers with two dispatchers. (IX:70-71). Dansby, however, testified that he never heard any such comment and that at the end of that budget meeting, after Ringer had gone, the consensus was reached to hire one additional police officer and one more civilian dispatcher. (IX:83).

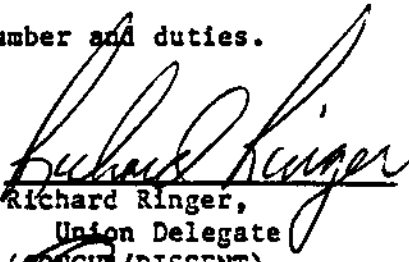
security. In particular it objects to the proposal that dispatchers be allowed to take field incident reports because these are reports of crimes and officers taking these reports may later be required to testify in court. Finally, it contends that the issue of transferring work from one classification of employees to another is best left to bargaining by the parties rather than to an Act 312 panel.

DECISION: In reaching the conclusion to adopt the Union's LBO the panel chair notes that she is persuaded that the Department's request to have some additional clerical duties assigned to the dispatchers is a reasonable one. And the chair also sees a rationale for some addition to the dispatching complement. The determination on this issue, however, is made in light of the specific language in the City's LBO ⁷¹ which, for instance, in proposed section 36.1 could leave the Department totally unincumbered in the total number of dispatchers who would be allowed to "perform dispatching work and duties now performed by members of the Association." This language is so broad that the panel chair thinks that it would not have had a chance to become part of the contract through the process of negotiations. For that reason, the panel chair and a majority of the panel accept the Union's LBO.

AWARD: Status Quo on Article XXXVI - Dispatcher number and duties.


Elaine Frost, Chair


C. Charles Bokos,
Employer Delegate
(CONCUR/DISSENT)


Richard Ringer,
Union Delegate
(CONCUR/DISSENT)

12. NUMBER OF TWO-MAN PATROL CARS

CITY LBO: Modify Article XXIV to permit additional one-man patrol vehicles between the hours of 7:00 p.m. and 7:00 a.m. as follows:

⁷¹ / Although the concept behind section 36.3 appears reasonable and plausible for adoption through the 312 process, the parties in this matter stipulated that all issues before the panel were economic. Hence, the panel is not allowed to pick and choose but must accept in full the LBO which more closely meets the criteria in Section 9(a) of the Act. In this case the inclusion of 36.1, as discussed above, persuade the arbitrator that the Union's LBO should be accepted.

ARTICLE XXIV, SAFETYS AND WELFARE

24.1: All officers working between 7:00 P.M. and 7:00 A.M., with the exception of the traffic bureau, shall work by the following formula:

Number of Officers <u>On Road</u>	Number of Two Man <u>Cars</u>	Number of One Man <u>Cars</u>
5	2	1
6	2	2
7	2	3
8	2	4
9	2	5
10	2	6
11	2	7
12	2	8
13 and above to continue the same formula		

Overlap shift:

Number of Officers <u>On Road</u>	Number of Two Man <u>Cars</u>
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	10
11	11
12	12
13 and above to continue the same formula	

UNION LBO: Change to read: ARTICLE XXIV, SAFETYS AND WELFARE

24.1: All officers working between 7:00 P.M. and 7:00 A.M., with the exception of the traffic bureau, shall work by the following formula:

Number of Officers <u>On Road</u>	Number of Two Man <u>Cars</u>	Number of One Man <u>Cars</u>
5	2	1
6	3	0
7	3	1
8	4	0
9	4	1
10	5	0
11	5	1
12	6	0
13 and above to continue the same formula		

24.2: Cars shall be manned only by duly sworn officers.

24.3: For the purposes of counting employees, in order to determine the ratio of two (2) man cars to one (1) man cars, (24.1) the afternoon and midnight shift shall always be counted separately.

24.4: The afternoon shift shall start at 3:00 p.m., and the midnight shift at 11:00 p.m. An overlap shift shall start at 7:00 p.m. All members who select the overlap shift may be required to work one (1) man cars as determined by the Employer.

24.5: One (1) man cars on the midnight shift and afternoon shift shall be offered first to the most senior man on the shift and secondly by individual preference of the employees on that shift.

24.6 through 24.11: no change from current language.

CURRENT LANGUAGE: ARTICLE XXIV, SAFETYS AND WELFARE

24.1: All officers working between 7:00 P.M. and 7:00 A.M., with the exception of the traffic bureau, shall work by the following formula:

Number of Officers <u>On Road</u>	Number of Two Man <u>Cars</u>	Number of One Man <u>Cars</u>
5	2	1
6	2	2
7	2	3
8	2	4
9	3	3
10	3	4
11	3	5
12	3	6
13 and above to continue the same formula		

24.2: Overlap shift:

Number of Officers <u>On Road</u>	Number of Two Man <u>Cars</u>	Number of One Man <u>Cars</u>
1	0	1
2	1	0
3	1	1
4	2	2
5	2	1
6	2	2
7	2	3
8	2	4
9	3	3
10	3	4
11	3	5
12	3	6
13 and above to continue the same formula		

24.3: Cars shall be manned only by duly sworn officers.

24.4: For the purposes of counting employees, in order to determine the rates of two (2) man cars to one (1) man cars, shifts shall always counted separately.

24.5: One (1) man cars shall be offered first to the most senior man on the shift and secondly by individual preference of the employees on that shift.

24.6 through 24.11: no change proposed.

DISCUSSION: Dansby testified that the pattern of one and two-person patrol cars has changed over the years since 1966 and that the last change is the one set out in the 1982-85 contract. (IX:92-93). He continued that the City's proposal to the 312 panel is to reduce the number of two-man cars by one, so the Department now has three and under the proposal will have two. (IX:93). The Chief continued that this is cost efficient, that it is a safety factor, allowing more cars on the road, and that it will allow them to cover the workload better. (IX:94). The City also provided documentary evidence, City #151, containing 19 color coded maps of Westland showing how the one and two-man cars would be assigned under the City's offer. The City also offered an exhibit comparing the current provisions of Article XXIV to the provisions for two-man cars in comparable communities. (City #150).


ARGUMENTS: The City contends a change in deployment of patrol units is necessary to increase the police presence in the community and that the testimony given by the Chief supports the wisdom of the proposal it makes. The Union argues that its proposal is designed to meet the concerns the Chief mentioned in his testimony by allowing officers on overlap shifts ⁷² to be assigned to one-man cars instead of creating a hazardous situation for officers on regular shifts by assigning them. It urges the panel to accept its offer as a compromise which it claims would likely have been the result attainable through bargaining.

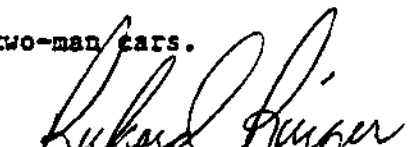
72 / The day shift is 7:00 am to 3:00 pm, the afternoon shift is from 3:00 pm to 11:00 pm, the midnight shift is from 11:00 pm to 7:00 am and the overlap shift is from 7:00 pm to 3:00 am.

DECISION: It appeared at the hearing, from the cross examination of the City's witnesses on this issue (IX:85-107) and from the absence of its own proofs (IX:107), that the Union's position was to be status quo. Its LBO, however, sets forth a totally new proposal as to which no pros and cons or explanation have been provided on the record. In light of this situation and in light of the the evidentiary support which the City has provided for its LBO, a majority of the panel has decided to adopt the City's LBO.

AWARD: Article XXIV is changed to reflect the City LBO on two-man cars.


Elaine Frost, Chair


C. Charles Bokos,
Employer Delegate
(CONCUR, ~~DISSENT~~)


Richard Ringer,
Union Delegate
(CONCUR/DISSENT)

13. NEW HIRE BENEFITS

CITY LBO: Modify the amount of time allotted for vacation, sick leave and personal business time for new hires, specifically for those hired after July 1, 1987, as follows:

Article XXI - Vacations

21.2: For police officers appointed to Westland Police Department July 1, 1987, and thereafter, vacations shall be earned in accordance with the following schedule:

- | | |
|--|--|
| A. Less than (3) years | Two-thirds (2/3) of a vacation day per month. |
| B. More than three (3) years but less than seven (7) years | One and one quarter (1 1/4) vacation days per month. |
| C. More than seven (7) years | Two (2) vacation days per month. |

Article XXVI - Sick Leave

26.1: Police officers appointed to the Westland Police Department July 1, 1987, and thereafter, shall accumulate eight (8) hours per month sick leave, credited on the first day of each month. Each officer shall accumulate no more than one thousand two hundred (1,200) hours in his sick bank. On the second payday in January, and every year thereafter, any hours in excess of the maximum as calculated as of December 31 of the preceding year, shall be paid to the employee at the prevailing hourly rate at one hundred (100%) percent of his pay as of the payment date.

28.1: Police officers appointed to the Westland Police Department July 1, 1987, and thereafter, and who have accumulated one year's seniority, shall be allowed two (2) non-cumulative personal leave days with pay per year for personal business.

UNION LBO: Status Quo

DISCUSSION: In support of the City's LBO, Gaiss testified that the City "wishes to slow down the accumulation of time, sick time, vacation time, personal business time, the granting of medical, the granting of dental, et cetera, with people that we are bringing in, as of given dates to the city." He also explained that the City had successfully taken this approach with AFSCME Local 1602, with the Supervisors unit and that the City Council took it with the directors. (VII:88).⁷³ In addition to need, he pointed out that there are 15 people who apply for each job opening. (VIII:92-92).

There is no two-tiered system in the police command officers unit nor in the fire unit but the fire contract is in negotiations and Gaiss indicated the City is interested in implementing such approach there too. (VIII:93). The City also provided an exhibit setting forth data from comparable communities (City #142). It reveals a two-tier approach with respect to at least some benefits in Dearborn Heights, Farmington Hills, Livonia, Royal Oak and Taylor. The Union provided no evidence on this issue. (IX:94).

ARGUMENTS: The City contends that it is seeking to slow down the accrual of benefits for newly hired police officers and so proposes reductions in vacation leave, vacation accumulation, sick accumulation and personal leave. In support the City contends the present benefit system is out of line with the private and public sectors and should be modified. The Union challenges the


73 / As to Local 1602 Gaiss said that it has longevity as to new hires but it starts with year six, that they must wait 90 days on dental and medical, that personal days start at the end of two years, that sick leave accumulates at the rate of 10 days a year versus 12, that vacation days are reduced to they get 10 days from one to three years, 12 days from four to six years and 15 days from seven to 10 days. (VIII:88, 90). As to supervisors Gaiss said they have their longevity held back for two years, they get personal leave at the end of two years and they wait for dental for 90 days (VIII:90, 91).

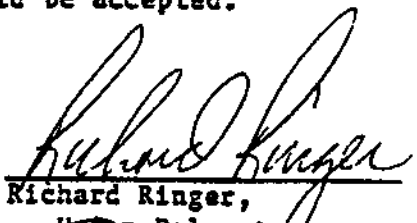
City's proposal, in part, on the ground that it provided no evidence in support. It also argues that the City's concern for its finances is misguided since it entered into expensive contractual arrangement for computers when the police contract was unsettled and the LOCC and Council have seen fit to give generous raises to others.

DECISION: The panel chair is here presented with a few pages of testimony (IX:88-94) and two documents and on that basis urged to adopt a two-tier system for newly hired unit employees, reducing their vacation, sick and personal leave benefits. Not only are these specific benefit changes sought, but the requested imposition would be the first occasion in this unit where a two-tier pattern was followed. Because of these factors, which the panel chair considers extremely weighty in the bargaining process, and because the panel chair is told only that the City seeks these changes because it "wants to slow down benefits," she has concluded that the Union's LEO should be accepted.

AWARD: Status Quo


Elaine Frost, Chair


C. Charles Bokos,
Employer Delegate
(CONCUR/DISSENT)


Richard Ringer,
Union Delegate
(CONCUR/DISSENT)