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STATE OF MICHIGAN  
MICHIGAN EMPLOYMENT RELATIONS COMMISSION  
PUBLIC ACT 312 ARBITRATION

IN THE MATTER OF THE ARBITRATION OF

CITY OF EAST DETROIT,

Employer,

MERC Case No.  
D83-G-1952

and

POLICE OFFICERS ASSOCIATION OF MICHIGAN,

Union.

ARBITRATION DECISION AND AWARD

These proceedings were held in the offices of Michigan Employment Relations Commission, 1200 Sixth St., Detroit, Michigan. A pre-arbitration conference was held on November 3, 1983 and hearings were held on December 5 and December 9, 1983.

Panel Members

John C. Emery, Jr., Chairman

Robert J. Hribar, (Employer designee)

William Birdseye, (Union designee)

Representatives

Robert J. Hribar, for the Employer

William Birdseye, for the Union

STATE OF MICHIGAN  
BUREAU OF EMPLOYMENT RELATIONS  
DETROIT OFFICE

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East Detroit, City of

## EXHIBITS, STIPULATIONS AND WITHDRAWALS

All of the issues considered were stipulated to be economic. The parties stipulated that except for the issues contained in the petition, all other issues had been satisfactorily adjusted, settled, compromised or waived by the parties, that the arbitration was limited to the unresolved issues listed in the petition as certified by the commission and that the last best offers were the data contained in the petition, which were considered confirmed at the end of the hearing. No additional offers were submitted by either party. The Union withdrew the issues of personal business days and optical insurance.

At the first hearing on December 5, 1983, the Chairman took the oath required by Act 312. The contract between the parties was jointly submitted to the Panel and admitted. Thirty-three (33) Employer exhibits and twelve (12) Union exhibits were admitted.

## FINDINGS OF FACT AND OPINION

Act 312 in Section 8 requires the submission of a last offer of settlement for each economic issue and requires the Panel to adopt the last offer which it decides "more nearly complies with the applicable factors prescribed in Section 9" of the Act. All nine applicable factors were considered and utilized in the Findings, Opinion and Order of the Panel.

The stipulations of the parties have been noted above.

The interests and welfare of the public and the financial ability of the unit of government to meet the costs were considered.

Comparisons of the wages, hours and conditions of employment of the employees involved in the proceeding with those of other employees of the city, employees performing similar services in comparable cities and with other employees generally in public employment were submitted by both parties, were considered by the Panel and will be noted in connection with the discussion of each issue. The cities set forth in City Exhibit 2 are determined by the Panel to be the comparable cities to be considered on the basis of population and contiguity. Both parties acquiesced in these cities being considered comparable. Warren is excluded on the basis of its population which is more than 4 times as high. No evidence was submitted by either party with respect to employees in private employment in comparable communities other than to note current unemployment rates.

Evidence with respect to cost of living, or average consumers prices for goods and services was submitted by the parties and considered by the Panel.

Overall compensation presently received by the employees, including direct wage compensation, vacations, holidays, and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment and

all other benefits received was contained in the evidence submitted and considered by the Panel.

Changes in the foregoing circumstances during the pendency of the proceedings were submitted to the Panel and considered.

Other normal and traditional factors were also considered.

All awards except wages will become effective on the date the award is issued.

ISSUE #1

Sick and Accident Benefits

Union Offer

Article X, Section (c):

The City shall pay Sick and Accident Benefits (off the job accident) of \$210 per week for twenty-six (26) weeks, after expiration of accumulated sick leave days. Use of vacation time prior to filing for sick and accident benefits shall be optional with the Employee.

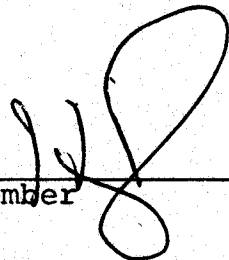
Employer Offer

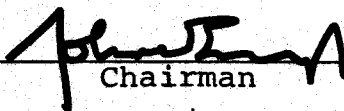
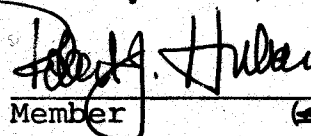
Article X, Section (c):

The City shall pay Sick and Accident Benefits in the amount of \$210 per week for illness or injury incurred off duty for a maximum of twenty-six (26) weeks after the employee utilizes all accumulated sick leave provided the employee is hospitalized as an inpatient or outpatient for any length of time. When the illness or injury is not serious enough to warrant inpatient hospital care, the above payments shall apply except that the employee shall receive no payments for the first five (5) work days after utilization of accumulated sick leave. Outpatient psychiatric treatment with representatives of the City's Employee Assistance Program shall be included in the above designation of outpatient care provided said representatives forward to the City Manager a recommendation for time off.

DECISION

The language proposed by the Employer is ambiguous, would create problems of interpretation and is best left to the bargaining table. Accordingly the Union Offer is accepted and the Employer Offer rejected.

  
Member (concur-~~dissent~~)

  
Chairman  
  
Member (~~concur~~-dissent)

ISSUE #2

Sick Leave

Union Offer

Article V, Section (a):

Sick leave with pay shall be granted to Employees who have been in the employ of the City for six (6) months or more, at the rate of one (1) work day for each full month of service. Sick leave shall not be considered as a privilege which an Employee may use at his discretion, but shall be allowed only in case of necessity and actual sickness or disability of the Employee, or because of illness or death in his immediate family, or to meet dental appointments, or to take physical examinations or other sickness prevention measures. For purposes of definition, being off five (5) or more days per calendar year without pay shall constitute abuse of this language and shall subject the employee to disciplinary action.

Employer Offer

Article V, Section (a):

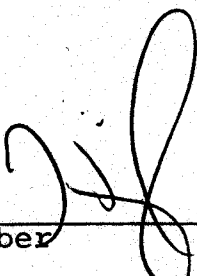
Sick leave with pay shall be granted to Employees who have been in the employ of the City for six (6) months or more, at the rate of one (1) work day for each full month of service. Sick leave shall not be considered as a privilege which an Employee may use at his/her discretion but shall be allowed only in case of necessity and actual sickness or disability of the Employee or because of illness to a family member of the Employee's household. Sick leave may also be used in the event of a dental emergency of the Employee.

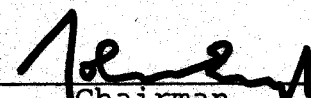
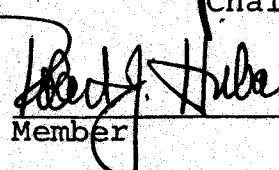
Each member of the bargaining unit may draw from his sick bank no more than twelve (12) sick days per year which are not covered by a doctor's excuse explaining the reason for said absence.

For purposes of definition, being off five (5) or more days per calendar year without pay shall constitute abuse of this language and shall subject the Employee to disciplinary action.

DECISION

Other Employer employees are now covered by the proposed Employer language. The deletions in language proposed by the Union relating to the necessity of a doctor's excuse for over twelve (12) days are unreasonable and subject to abuse. Accordingly the Employer Offer is accepted and the Union Offer rejected.

  
Member ~~(concur-dissent)~~

  
Chairman  
  
Member ~~(concur-dissent)~~

ISSUE #3

Funeral Leave

Union Offer

Article V, Section (b):

The Union offers no change.

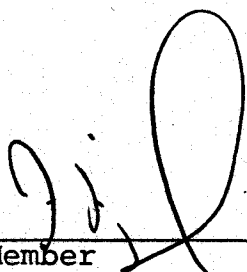
Employer Offer

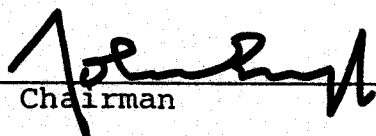
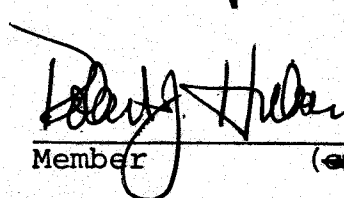
Article V, Section (b):

In the event of a death in the immediate family of a member of this bargaining unit, the employee shall be allowed up to four (4) continuous calendar days, where necessary, to attend the funeral. Said funeral leave shall include Saturdays, Sundays, Holidays or other days the employee might regularly be off duty and the last day of said funeral leave must be the day of the funeral. Immediate family is defined as follows: Mother, Father, Brother, Sister, Wife, Husband, Son, Daughter, Mother-in-law, Father-in-law, Grandchildren, Step-mother and Step-Father. There shall be no charge to a member's sick leave bank if called off duty due to a death in his/her immediate family. This policy applies only to that portion of the first day when the employee is notified of the death.

DECISION

No comparables or other basis for change are offered by Employer, other than language improvement. This is insufficient and may well result in loss of benefits to employees. The Offer of the Union is accepted and the Offer of the Employer rejected.

  
Member (concur-dissent)

  
Chairman  
  
Member (concur-dissent)

ISSUE #4

Sick Leave Terminal Pay

Union Offer

Article V, Section (g):

The Union offers no change.

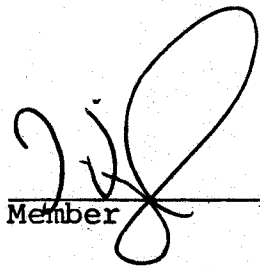
Employer Offer

Article V, Section (g):

Sick leave terminal pay shall be paid on the basis of years of service times 2.5% times the number of accrued sick days, at date of retirement or death. This formula is based on a maximum of 240 accumulated sick days. Employees hired after July 1, 1982 are ineligible for benefits under this section.

DECISION

The Employer has not substantiated compelling need or offered sufficient comparability. The Union Offer accordingly is accepted and the Offer of the Employer is rejected.

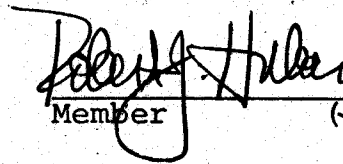


Member

(concur-~~dissent~~)



Chairman



Member

(~~concur~~-dissent)



ISSUE #5

Minimum Call Out

Union Offer

Article VII, Section (c):

The Union offers no change.

Employer Offer

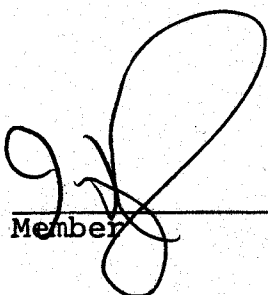
Article VII, Section (c):


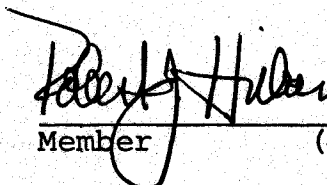
There shall be a four (4) hour minimum for all call outs. All Employees remain entitled to double time under the terms of Article VII (b). Overtime call out is defined as: "the call in of an employee for duty after he has reported off-duty and before his next scheduled tour of duty."

Conferences with members of this bargaining unit for purposes of discipline shall not be included in the four (4) hour minimum call out policy. For disciplinary conferences, the employee shall be compensated only for actual time spent in said conferences. Said disciplinary conferences shall, as much as possible, be scheduled at or near the normal starting or quitting time of the employee.

DECISION

On the basis of lack of comparables, non-police city employees not being considered to be comparable, the Offer of the Union is accepted and the Offer of the Employer rejected.

  
Member (concur-~~dissent~~)

  
Chairman  
  
Member (~~concur~~-dissent)

ISSUE #6

Clothing and Cleaning Allowance

Union Offer

Article XIV

The Union offers no change.

Employer Offer

Article XIV

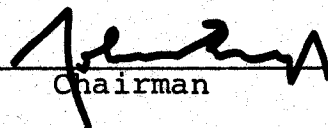
- (a) An annual cash clothing allowance of \$525.00 shall be paid each member of the Association for the contract year.
- (b) Clothing allowance shall be paid semi-annually (1/2 each six months).

DECISION

The Employer offer is not supported by the evidence. Accordingly the Union Offer is accepted and the Employer's Offer rejected.

  
Member

(concur-~~dissent~~)

  
Chairman

  
Member

(~~concur~~-dissent)

ISSUE #7

Shift Differential

Union Offer

Article XV, Section (c):

The Union offers no change.

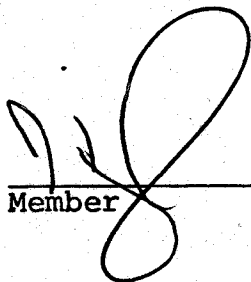
Employer Offer

Article XV, Section (c):

Shift differential shall be paid at the rate of 25¢ per hour for hours worked on the afternoon shift and 35¢ per hour for hours worked on the midnight shift.

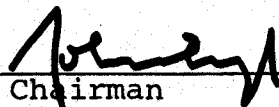
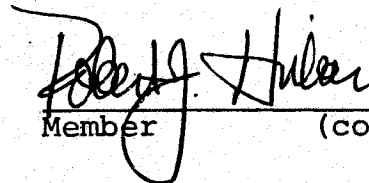
DECISION

On the basis of comparables, the offer of the Employer is accepted and the offer of the Union is rejected.



Member

(~~concur~~-dissent)

  
Chairman

Member

(concur-~~dissent~~)

## ISSUE #8

### Medical Insurance

#### Union Offer

##### Article X, Section (b):

The City shall pay full premium for Blue Cross and Blue Shield hospitalization (MVF-2 plan) for all Employees and their families, including "Master Medical" coverage, two dollar (\$2.00) deductible prescription rider, and emergency medical rider, or Blue Cross "Health Care Network" HMO coverage at the option of the employee. Employees may select Blue Cross insurance or the Blue Cross HMO coverage at annual intervals subject to the requirements of the carriers.

The City shall pay the sum of \$25.00 per month, paid annually, to any employee who rejects said medical insurance in lieu of medical insurance provided to a spouse.

#### Employer Offer

##### Article X, Section (b):

The City shall pay full premium for either Blue Cross-Blue Shield Dimension III medical insurance or Blue Cross-Blue Shield Health Care Network medical insurance at the option of the employee.

The City shall pay the sum of \$25.00 per month, paid annually, to any employee who rejects said medical insurance in lieu of medical insurance provided to a spouse. In the event that medical insurance provided to a spouse becomes unavailable after the election of this option, the City guarantees to provide the employee with his/her option of Dimension III or Health Care Network at the beginning of the next calendar month after the employee notifies the City, in writing, that the medical insurance provided to a spouse is no longer available.

### DECISION

The City's Offer of a choice between DIMENSION III or HEALTH CARE NETWORK is a fair and reasonable proposal. Substantially the same benefits could be maintained by participation in the HEALTH CARE NETWORK. DIMENSION III, however, offers fewer benefits than the present coverage. The negative side involves a deductible of \$100 per person or \$200 per family and a \$1,000 maximum 20% co-payment in DIMENSION III and the restriction to plan participating doctors in the HEALTH CARE NETWORK. It is also true that the only comparables shown by the City were within the City itself. No comparable communities, however, have adopted this proposal.

Other factors must be considered. With regard to the lawful authority of the employer and the financial ability of the City to pay, the uncontrolled escalation of Blue Cross premium rates and the possibility or probability of continued increases pushes the City toward the limits of its taxing powers.

Exhibit C-25 shows a 389% increase in Blue Cross rates over a nine (9) year period. In 1982 the City experienced a 32% increase; 1983 saw a 47.5% increase. While 1984 has so far shown only a 6.99% rate increase effective February 1, 1984, the amount of future increases is very difficult to predict.

With regard to Factor #4 relating to comparison of wages, etc., and Factor #6 relating to total benefit package, City exhibits show the City on the high side on a comparable basis which would be effected by the \$1,200 maximum cost to the employer which would result from the City offer's acceptance. There is no question that the interests and welfare of the public require containment of costs in the health care field, the spiralling premium costs and costs of living.

The Offer of the Employer is accepted and the Offer of the Union rejected.

Member

(concur-dissent)

Chairman

Member

(concur-dissent)

ISSUE #9

Medical Insurance - Retirees

Union Offer

Article X, Section (e):

The Union offers no change.

Employer Offer

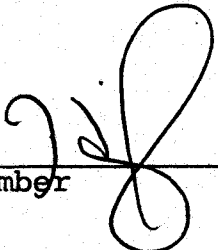
Article X, Section (e):

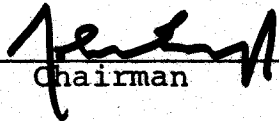
Blue Cross medical insurance for retirees and their dependants shall be paid for and provided by the City so long as the retiree or surviving dependents receive a pension benefit check from the City. If a surviving spouse remarries, all Blue Cross medical benefits shall cease.

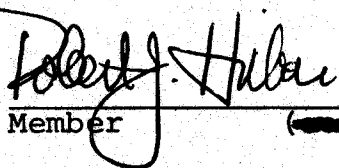
DECISION

Employer offers no sufficient basis for change. The proposed language also raises dependent questions which should be resolved at the bargaining table.

The Offer of the Union is accepted and the Offer of the Employer rejected.

  
Member (concur-dissent)

  
Chairman

  
Member (dissent)

ISSUE #10

Wages

Union Offer

Article XV

- (a) The following salary schedule shall become effective for each Patrolman on the dates as designated. (annual salaries)

FOR PRESENT EMPLOYEES AND EMPLOYEES  
HIRED TO DATE OF ARBITRATION AWARD

<u>Classification</u>	<u>7-1-83</u>	<u>3-1-84</u>	<u>11-1-84</u>
Patrolman			
Start	\$20,837	\$21,706	\$22,606
6 Months	21,337	22,206	23,206
12 Months	21,837	22,706	23,606
18 Months	22,337	23,206	24,206
24 Months	22,837	23,706	24,606
30 Months	23,337	24,206	25,206
36 Months	23,837	24,706	25,606
42 Months	24,337	25,206 <sup>b</sup>	26,206 <sup>c</sup>
48 Months	24,837 <sup>a</sup>	25,706 <sup>b</sup>	26,606 <sup>c</sup>

Detective Pending Arbitration

- (b) Starting rate for Patrolman above shall be as indicated. Such starting Patrolman shall receive semi-annual increments of \$500.00 (every 6 months) until reaching top salary.

FOR FUTURE EMPLOYEES HIRED  
AFTER DATE OF ARBITRATION AWARD

<u>Classification</u>	<u>7-1-83</u>	<u>3-1-84</u>	<u>11-1-84</u>
Patrolman			
Start	\$14,837	\$15,706	\$16,606
12 Months	17,337	18,206	19,206
24 Months	19,837	20,706	21,606
36 Months	22,337	23,206 <sup>b</sup>	24,106 <sup>c</sup>
48 Months	24,837 <sup>a</sup>	25,706 <sup>b</sup>	26,606 <sup>c</sup>

Detective Pending Arbitration

- (c) Starting rate for Patrolman above shall be as indicated. Such starting Patrolman shall receive annual increments of \$2,500.00 (anniversary date of hire) until reaching top salary.

Employer Offer

Article XV

- (a) The following salary schedule shall become effective for each Patrolman on the dates as designated. (annual salaries)

<u>Classification</u>	<u>July 1, 1983</u>	<u>July 1, 1984</u>
Patrolman	\$23,997.00	\$24,717.00
Detective	Pending Arbitration	

- (b) Starting rate for Patrolmen shall be \$19,298.00 per year. Starting Patrolmen shall receive semi-annual increases of \$500.00 every six (6) months until reaching top salary.

DECISION

Comparables on wages from other law enforcement agencies support the Union offer which involves a fair and reasonable increase. Wages for other employees of Employer was considered as well as total compensation to police employees.


With reference to the lawful authority of the employer, there is no evidence that the City is at the legal limit of its taxing powers. City taxes, however, do not always keep pace with increased compensation to City employees and the impact of increased wages on the City's taxing power and the City's ability to pay noted in Factor #3 is considered. The interests and welfare of the public in police morale and effective police performance is also considered. Wages are admittedly on the lower side compared to other departments. This should be rectified despite the fact that comparison with the total wage and benefit package of the employer with the package of City employees in East Detroit and with police in comparable communities show East Detroit police in a favorable position. The Union offer would maintain their favorable position. The City offer would increase the disparity in wages. The Consumers Price Index material shows the Union proposed increase in police wages would maintain a reasonable relationship with projections in the annual increase of cost of living. Wages should be increased to a more favorable basis with comparable police departments.

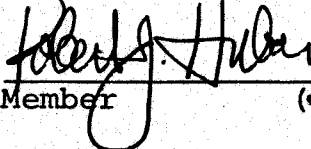
The Offer of the Union is accepted and the Offer of the Employer is rejected.

Wage increase shall be effective July 1, 1983.

  
Member

(concur-~~assent~~)

  
Chairman

  
Member

(~~concur~~-dissent)



ISSUE #11

Disciplinary Action

Union Offer

Article XXII

The Union offers no change

Employer Offer

Article XXII

No police officer shall be immediately removed, discharged, reduced in rank or pay, suspended or otherwise punished except for just cause as defined in Section XXVI, Subsection 67, Parts 1 through 5 and Parts (a) through (y) of Subsection 68 of the Police Department Rules and Regulations and as further defined in Rule 7, Section 3 of the Civil Service Rules. The employee shall be provided with a written statement of the charges and the reasons for said action and all charges shall be void unless filed within thirty (30) days after knowledge by management of the alleged violation.

DECISION

Employer has not shown sufficient basis for change in language.

Accordingly the offer of the Union is accepted and the offer of the Employer rejected.

Member

(concur-dissent)

Chairman

Member

(concur-dissent)