

1938

STATE OF MICHIGAN
EMPLOYMENT RELATIONS COMMISSION

MADISON HEIGHTS, CITY OF,

Employer,

and

Act 312 Arbitration

Case No. D86A-183

MICHIGAN FRATERNAL ORDER OF POLICE,
LABOR COUNCIL/COMMAND OFFICERS
ASSOCIATION,

Labor Organization.

ARBITRATION DECISION AND AWARD

These proceedings were held in the offices of the City of Madison Heights, 300 W. 13 Mile Road, Madison Heights, Michigan. A pre-arbitration conference was held on January 22, 1987 and hearings were held on March 11 and March 12, 1987. A meeting of the Panel was held on September 16, 1987 at which a first draft of the proposed Arbitration Decision and Award was reviewed and discussed.

Panel Members

John C. Emery, Jr., Chairman

Aubrey Green, on behalf of Employer

Gerald Sloan, on behalf of Labor Organization

Representatives

Allen J. Kovinsky, Esq., on behalf of Employer

Peter P. Sudnick, Esq., on behalf of Labor Organization

EXHIBITS, STIPULATIONS AND WITHDRAWALS

There were no Stipulations except to extend the time for entry of an award beyond six months.

At the first hearing on March 11, 1987, the Chairman took the oath required by Act 312 of 1969, as amended. Twenty (20) Joint Exhibits, three (3) Employer Exhibits and two (2) Labor Organization Exhibits were admitted. The list of Exhibits submitted and admitted is set forth in Schedule 1 attached hereto.

Last Best Offers were submitted following the hearing. The Labor Organization withdrew its original demands for additional health insurance coverage and rank differential and submitted revised demands for vacations and shift differentials.

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 of Fact, Opinion and Award of the Panel.

Stipulations of the parties have been noted above.

The first question for the Panel to decide was whether the Comparable City list should be expanded to include Roseville as proposed by the Labor Organization. No evidence was presented to show that the present list is insufficient or inadequate. If a need for expansion of the list is advisable, there are other cities to be considered which might present better choices than Roseville but no other cities have been suggested. Furthermore, while Roseville and Madison Heights may well be in the same geographic area and subject to the same economic pressures as Madison Heights, as well as being quite close in several criteria such as per capita income and medium household income, there is still considerable variance between the two cities in other items, which do not prevent comparability but also do not require it. Accordingly, the following cities were used as comparables on the basis of past practice: Allen Park, Clawson, East Detroit, Ferndale, Garden City, Hazel Park, Inkster, Lincoln Park, Royal Oak, Sterling Heights, Troy, Warren and Wyandotte.

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

Evidence as to 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 was submitted by both parties, was considered by the Panel and will be noted in connection with the

Panel and will be noted in connection with the discussion of each issue. No evidence was submitted by either party with respect to employment in private employment in comparable communities.

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.

The Vacation award will become effective on the date an award is issued. The effective dates of the Wages and Shift differential awards are designated in the Awards.

ISSUE #1

Vacations

Labor Organization Offer

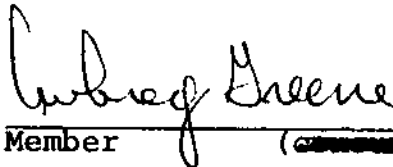
The Labor Organization's Last Offer of Settlement is that the vacation schedule be modified so as to include a fifth step after twenty years of service. After twenty years of service, the employee shall be entitled to five weeks and two days (37 days). The current language provides for four steps, the final step ending with fifteen years and giving the employee five (5) weeks vacation.

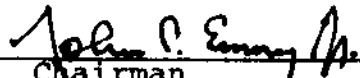
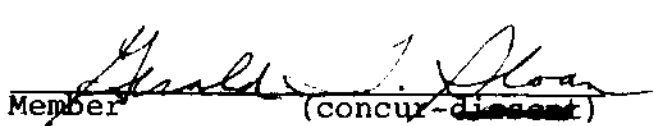
Employer Offer

The Employer offers no change.

DECISION

Review of the Exhibits shows that a significant number of the comparables have a fifth vacation step and pay for over 200 vacation hours at twenty years of service. A significant number of the comparable communities receive ultimately more than 25 days after 20 years of service. The fact that command officers do not take their full vacations presently but choose to bank vacation hours is not a matter for this Panel to consider. The issue is economic and an employee may exercise his own options in his own way. Accordingly, the Last offer of the of the Labor Organization is regarded as fair and equitable and granted. The Panel adopts the Last offer of the Labor Organization.


Member (concur-dissent)


Chairman

Member (concur-dissent)

ISSUE #2

Shift Differential

Labor Organization Offer

The Labor Organization's Last Offer of Settlement is that the current shift differential language be modified to state that effective July 1, 1986, the following shift differential shall be in effect:

Afternoon	30¢ per hour
Midnight	40¢ per hour

Employer Offer

The Employer offers no change.

DECISION

Police officers of the Employer presently receive five cents more per hour than do the Command officers. Five of the comparable cities pay more than this Employer. The Employer under the Labor Organization demand would fall in the middle on this issue. Command officers should receive more than the officers they supervise. Accordingly, the Panel adopts the Last offer of the Labor Organization.


Chairman


Member

(~~concur~~-dissent)


Member

(concur-~~dissent~~)

ISSUE #3

Wages

Labor Organization Offer

First Year Offer - 7/1/86-6/30/87 7% increase in wages

Second Year Offer - 7/1/87-6/30/88 4% increase in wages

The wage increase for the first year shall be retroactive.

Employer Offer

Provide the Command Officers with a 4% wage increase retroactive to July 1, 1986 and an additional 4% wage increase effective July 1, 1987.

DECISION

Considerable importance is placed by the Panel on internal comparables. 4% increases have been negotiated for the Police Patrol Unit, the Firefighters Unit, the AFSCME Units and the Teamster Units.

Less significance is given to the Court worker settlement and the department heads settlement, both of which were higher than the Employer offer here. The Court settlement was negotiated by the Judge independent of Employer involvement and furthermore utilized a fact finding process. These settlements are regarded by the Panel as special situations due to the nature of the positions with their own special considerations and should not be given the weight given external and other internal comparables.

The Panel does not accept the concept of so called "bench mark" cities being more comparable than the comparables themselves.

While ability to pay is not an issue much evidence was submitted relative to the present financial condition of the Employer and

possible potential financial problem. The Panel recognizes the need for closely monitored fiscal responsibility on the part of the Employer, which appears to be the case, and does not feel that there is any surplus which should be distributed to any employee as a bonus or dividend.

Maintenance of the status quo may well be the best thing to do under present circumstances. Accordingly, the Last offer of the Employer is adopted.

Printed Sept 5, 1957

Arthur L. Emph
Chairman

Anthony Greene
Member

(concur-~~disagree~~)

Harold L. Sloan
Member

(~~concur~~-dissent)