
State of Michigan

Employment Relations Commission

**STIPULATED
AWARD**

Act #312 Arbitration

City of Buchanan

and

the Fraternal Order of Police

STATE OF MICHIGAN
DEPARTMENT OF LABOR
EMPLOYMENT RELATIONS COMMISSION

In the Matter of Arbitration
between:

THE CITY OF BUCHANAN

Case No. 690 I-0118

and

THE FRATERNAL ORDER OF POLICE

OPINION AND AWARD OF THE
ARBITRATION PANEL

Arbitration Panel Members:

Howard L. Case, Chairman
Thomas J. Barnes, For the City
James J. Quinn, For the Union

Introduction: A Petition for Arbitration, under Public Act 312, was filed with the Michigan Employment Relations Commission (MERC) by the Fraternal Order of Police (F.O.P.) on May 5, 1990. The arbitrator was notified of his assignment by M.E.R.C. as impartial chairman on June 22nd. On July 3rd in a conference call to Mr. Richard Weiler, Director of Labor Services for the Labor Council for the F.O.P. and Mr. Thomas Policinski, Attorney for the City of Buchanan, the chairman attempted to schedule a Pre-Hearing conference. In that discussion he was advised by the city's representative that it was the city's belief that impasse had not been reached and that further mediation was advisable. After further discussion, Mr. Weiler, on behalf of the F.O.P. deferred to the city's position and a Stipulation and Waiver of Time Limits, relative to the Pre-Hearing conference, was

agreed to. It was further stipulated, that the Waiver of Time Limits, for scheduling the Pre-Hearing conference, would cease by a call from either party for the chairman to intervene in the process of voluntary resolution.

On October 26th the Petitioner, (F.O.P.), called to re-activate the Arbitration process.

Pre-Hearing Conferences were held on November 2nd, November 12th and November 28th.

At the November 12th conference all of the ground rules, and the time frame for procedural continuity including comparables, date for exchange of exhibits, hearing dates, last best offer deadlines, waiver of time limits, delegates, witnesses, date for executive session, etc., were stipulated - with certain necessary modifications excepted.

After extensive negotiations on November 28th, a stipulated agreement was reached. Included in that agreement were a number of stipulated issues and/or changes, from the expired contract, that were modified and initialed through the bargaining process prior to the submission of issues to Act 312 Arbitration. That contract is, except as altered by the issues herein contained, the switching of Paragraphs on pages 19 & 34 of the Master Update copy, supplied by the City, the insertion to exclude new hires from Severance Pay,

and the initialed changes and other necessary cosmetic changes, (such as date changes), included in this Award.

The Award on the issues is as follows:

1. Union issue #6. Pension:

Change to M.E.R.S. B-3

W/E II Rider.

There seemed to be genuine mutual interest in this issue, and the parties devoted an exceptional amount of time and effort to find an amicable solution. Due to the economic impact, the average age of the department personnel, the turnover of several offices (possibly at the same time), or perhaps the lack of turnover at opportune times and the need of a five or even six year contract to complete this transition (which both sides seriously considered) - these were among the factors that ultimately caused the collapse of accommodation. The parties returned to consideration of the more conventional three (3) year agreement and the pension issue was withdrawn.

2. City issue D:

Co-Pay of BC/BS Hospital/Medical insurance premiums.

The City's position was that the employees would contribute to the cost of insurance by payroll deduction of \$15.00 per pay period (Bi-weekly) the first year, \$20.00 per

pay period the second year and \$25.00 per pay period the third year.

The City's position on this issue generated long and persistent argument in several economic areas including wages, rate increases on the wage schedule vs Bonus payments, and the increase or demise of Longevity payments. The issues of Longevity, Bonus and Co-pay insurance, will therefore be combined. Resolution of the City's position when blended with these other economic facets, is in the form of the stipulated Award:

A. Effective with the beginning of the first payroll period after January 1, 1991, the employees will contribute, by payroll deduction, \$10.00 per pay period toward their BC/BC premiums. Such deductions will continue through the term of this agreement with certain consideration as noted in sub-section E, for increases the third year.

B. The last longevity payment of \$350.00 will be made in a timely fashion for 1990 (December).

C. A bonus payment of \$270.00 to each employee under this contract will be made no later than the payment date of the second payroll period following receipt of the official Arbitration Award by the City. (Bonus payments will be included for the purpose of M.E.R.S. retirement benefit formula but not added to the base wage schedule.) The

criteria for the Bonus will be as agreed to by the parties and incorporated in this Award.

D. In December of 1991 the Longevity payment will be dropped and the Bonus payment will be increased to \$620.00. In December of 1992 the third Bonus payment will be made in the same amount as the second Bonus payment, \$620.00 (specific language for Section 33 follows) and,

E. In June of 1992 the employer will pick up the increased cost of insurance premiums, if any, up to 10% over the previous year (June 1991 rate) and shall continue to pay that amount in its share of the premium costs. Any increase of more than 10% over the 1991 rate will be paid by the employees individually, by payroll deduction, by increasing the \$10.00 per day period by the amount of premium increase in excess of the 10% increase paid by the City.

The parties have agreed that new hires will be on a two tier Hospitalization benefit payment level and the Bonus Concept shall be referred to in the contract as an Expertise Benefit. The contract language of these subjects is as follows:

Employees hired after July 1, 1990, shall be required to pay the premium cost of health insurance which exceeds the 1989 rates of: without adult child \$348.00 and with adult child, full family \$422.00; two person \$313.00; single subscriber \$143.00. Effective the third year of the agreement, employees will pay the premium

cost of health insurance which exceeds the following: without adult child \$348.00 and with adult child \$464.00; two person \$344.00; single subscriber.

Section 33

EXPERTISE BENEFIT

Every member of the Bargaining unit hired before the effective date of this contract shall be entitled to an expertise benefit in the amount of Six Hundred Twenty and No/100 Dollars (\$620.00), except for the proration the first year in accordance with the Arbitrator's award, payable the first pay period of each December during the term of this contract, provided that member of the Bargaining Unit shall have accomplished the following criteria during the preceding year:

1. Attend and complete all LETN courses, if available through the employer. (Employees unable to complete a LETN program due to illness or injury or circumstances beyond his/her control shall not be penalized.)
2. Attend and complete at least one extra training course, as specified by the Chief of Police.
3. Maintain certification on radar, if available through the employer.

In the event that the Department shall discontinue or

not offer any course or training session specified above, the Bargaining Unit member shall be relieved from any obligation to meet that criteria and shall still be eligible for this benefit.

It is the understanding of the City and the Bargaining Unit that this benefit shall be "compensation" for pension purposes.

3. City issue E

Seniority by classification. (Sergeants)

This was conceded by the union and is reaffirmed in this Award. The contract language will be as follows:

Section 19

SENIORITY:

Seniority shall be defined to mean the length of an employee's service with the City in the Police Department commencing from the last date of hire. For the purpose of "seniority in grade", seniority for a member of the Bargaining Unit shall be determined from the date of promotion to that grade within the Bargaining Unit. A member of the Bargaining Unit promoted to a higher grade within the Bargaining Unit shall maintain his/her seniority in all lower grades in the Bargaining Unit. Grade and then seniority in grade shall determine the command structure of the

Department. The application of seniority shall be limited to the rights cited in this Agreement.

All new employees will be probationary for their first 12 months of employment.

The purpose of the probationary period is to provide an opportunity for the Employer to determine whether the employee has the ability and other attributes which would qualify him for regular employee status.

During the probationary period, the employee shall be on a trial basis, shall have no seniority, and may have his/her employment terminated without regard to his/her relative length of service or the grievance procedure. Upon successful completion of the probationary period, the employee shall have his/her name added to the seniority list as of the date he/she was employed.

The parties have agreed upon a seniority list and the City agrees to supply the Association with a current seniority list from time to time upon reasonable notice.

An employee's seniority with the City will terminate for the following reasons:

- (a) If he quits or retires.
- (b) if he is discharged for cause.
- (c) If he is absent from work for a period of three (3) days in succession for which the employee is

scheduled to work, without having given to the City a satisfactory reason for his absence.

- (d) If he fails to report for work in the required time period following notice of recall.
- (e) The withdrawal of employee contributions of pension funds or other banked compensation or benefits.
- (f) If a member of the Bargaining Unit is promoted or transferred to a position not covered by this Agreement, his seniority shall be frozen for one (1) year following the promotion or transfer. If a return to a position covered by this Agreement is not made within that one (1) year period, then all previous Bargaining Unit seniority shall be forfeited.
- (g) If a member of the Bargaining Unit exercises his right to receive severance pay under Section 35 of this Agreement, he shall lose all seniority rights and rights of recall under Section 21.

Section 20

INDEFINITE-LAYOFF:

Lay-offs shall be by grade. The first employees to be reduced from the work force will be reserve and/or auxiliary police personnel, part-time and/or temporary police personnel. When a Bargaining Unit employee is to be laid off

due to a reduction of the police force, reductions shall be made on the basis of grade and then the inverse order of seniority in grade; provided, however, the senior employee has the experience and training to perform the required work. The City shall give two (2) weeks advance notice of a lay-off and shall give notice in written form to the Association and the employee, stating the reasons for the lay-off. Nothing in this section shall prohibit any third parties, organizations, institutions, or corporations from contracting with or utilizing any reserve and/or auxiliary police personnel, part-time or temporary police personnel at the expense of such third party.

4. Union issue #7.

Wages

Stipulated Award:

First year:

2.5% increase on the schedule

Second year:

2.5% increase on the schedule

Third year:

2.5% increase on the schedule

The contracted schedule and effective dates are projected as follows:

Section 24

ANNUAL SALARY:

The following annual salaries for the classification indicated shall be effective on the dates indicated for all current employees as of the date of this agreement:

CLASSIFICATION:

Sergeants (Michigan Certified Police Officers-
Department Rank Classification)

<u>7/1/90 - 7/1/91</u>	<u>7/1/91 - 7/1/92</u>	<u>7/1/92 - 7/1/93</u>
\$28,702.00	\$29,420.00	\$30,155.00

Patrol Personnel (Michigan Certified Police Officers and
Employee hired prior to the effective date
of this Agreement)

<u>7/1/90 - 7/1/91</u>	<u>7/1/91 - 7/1/92</u>	<u>7/1/92 - 7/1/93</u>
\$28,131.00	\$28,834.00	\$29,555.00

For all employees hired after the date of this Agreement, the following shall be the annual salary for patrol personnel.

<12 MOS	>12 MOS	>24 MOS	>36 MOS	>48 MOS
	<24 MOS	<36 MOS	<48 MOS	<60 MOS
\$18,720	\$19,843	\$20,835	\$21,460	\$21,889

There being no thrust of argument for or against any other issues contained in the petition leaves the panel

without authority to invoke decisions relative to those
subjects under Sections 6, 8 and 9 of the Act and accordingly
those issues are hereby withdrawn or denied.

12/14/90

Howard L. Case
Howard L. Case, Chairman

Thomas J. Barnes
Thomas J. Barnes, For the City
Buchanan

James J. Quinn
James J. Quinn, For the Fraternal
Order of Police

Issued at Kalamazoo, Michigan
December 15, 1990