

FROM :

FAX NO. :12486267599

Jan. 28 2005 12:05PM P2

**STIPULATED ACT 312 AWARD
ADDENDUM TO THE JULY 1, 1997 THROUGH JUNE 30, 2003
COLLECTIVE BARGAINING AGREEMENT BETWEEN THE CITY
OF ROMULUS AND POLICE OFFICERS ASSOCIATION OF MICHIGAN**

The arbitration panel, having heard testimony and received the exhibits submitted by both the parties, adopts this Stipulated Award. The arbitration panel, having considered this evidence, believe that this is the decision it would have reached, if required to reach a decision.

The parties' Memorandum of Understanding Regarding Pension is attached and is incorporated into this Stipulated Act 312 Award. The stipulations reached at the hearing on December 9, 2004 are also incorporated into this Stipulated Act 312 Award. Unless modified by this Stipulated Act 312 Award, the Memorandum of Understanding Regarding Pension or the stipulations reached at the December 9, 2004 hearing, the terms of the parties' July 1, 1997 – June 30, 2003 collective bargaining agreement shall be continued.

1. ARTICLE XLII, Wages, shall be revised to reflect the following adjustments in Sections 42.1:

Effective 7/1/02: 0%, plus signing bonus of \$1,450 per employee,
less applicable taxes and deductions

Effective 7/1/03: 2%

Effective 7/1/04: 2.5%

Effective 7/1/05: 3.0%

Section 42.1 shall also be revised to reflect that police officers hired after February 1, 2005 shall have 4 years to reach maximum pay. The 1 year, 2 year and 3

FROM :

FAX NO. :12486267599

Jan. 28 2005 12:25PM P3

year increments shall be the same proportionate percentage increase over the previous step.

Section 42.3 shall be revised to read:

"Wages are retroactive to July 1, 2003 on all hours compensated".

Section 42.4 of the 1997 – 2002 collective bargaining agreement shall be deleted.

2. ARTICLE XXVIII, Pension, shall be revised by eliminating the current text of Section 28.4 and replacing it with the following:

All MERS members will be allowed to purchase up to three (3) calendar years of prior police time at another municipality to enhance the level of retirement benefit and or reduce the service requirement for normal retirement.

A. Within ninety (90) days after the effective date of the Stipulated Arbitration Award, each employee shall declare in writing, his/her intent to purchase prior police service time and the amount of prior police service time to be purchased. Utilizing the employee's designated date of purchase, the City will assist the employee in requesting MERS provide the cost of purchase for the specified amount of prior police service time (not to exceed three (3) calendar years). The proposed date of purchase shall not be more than ninety (90) days after the effective date of the Stipulated Arbitration Award.

B. Each employee shall be obligated to pay 100% of the cost of purchasing said prior police service time. Upon receipt of MERS' cost analysis, the employee may elect to not purchase the prior police service time.

FROM :

FAX NO. :12406267599

Jan, 28 2005 12:06PM P4

C. No employee shall be allowed to purchase generic service time after the effective date of the Stipulated Arbitration Award, except to complete the process of purchasing time consistent with a written request to MERS submitted prior to the effective date of that Award.

D. This Section shall expire ninety (90) days after the effective date of the Stipulated Arbitration Award.

3. Article XXVI, Health Insurance, Section 26.1 shall be revised by eliminating the current text and replacing it with the following:

Effective six (6) weeks after the issuance of this Stipulated Arbitration Award, or as soon thereafter as practicable, the prescription drug coverage described in Section 26.2 shall be changed to a \$5.00 co-pay for generic drugs and \$10.00 co-pay for brand name drugs.

Effective June 30, 2006, the prescription drug coverage shall be changed to a \$10.00 co-pay for generic drugs and a \$20.00 co-pay for brand name drugs. Employees shall be reimbursed up to \$5.00 for generic drugs and up to \$10.00 for brand name drugs, if they submit receipts from the pharmacy. Employees are responsible for paying the first half of the co-payment (\$5.00 for generic drugs and \$10.00 for brand name drugs) and the City shall reimburse the remainder of the co-payment. Submission of receipts to the Finance Department and reimbursement shall be done on a quarterly basis.

4. Article XX, Sick Leave, Paragraph 20.2(B) shall be replaced with the following language:

FROM :

FAX NO. :12486267599

Jan. 28 2005 12:06PM PS

B. For eligible employees, payments from the City for the differential between 85% of pay and the amount covered by the disability insurance carrier will begin at the next full pay period after thirty-one (31) days from the original disability, if the employee has filed a proper application within seven (7) days after the disability begins. Eligible employees may retain the checks issued by the long-term disability insurance carrier and are not required to turn those checks over to the City.

5. Article XXIII, Holidays, Section 23.4 shall be amended to read:

An employee taking a sick leave on a holiday shall not receive the holiday pay.

6. Article XXXV, Promotions, shall be amended to add the following as Section 35.5:

Upon reaching ten years of service as a law enforcement officer, a Police Officer shall be awarded the rank of Corporal. There shall be no additional pay because of this award of rank to Corporal.

7. Article XXXVI, Shift Differential, shall be revised to read as follows:

36.1: Retroactive to July 1, 2003, shift differential of 0.75 per hour shall be paid to all employees who work the afternoon shift and \$1.00 per hour for all employees who work the midnight shift.

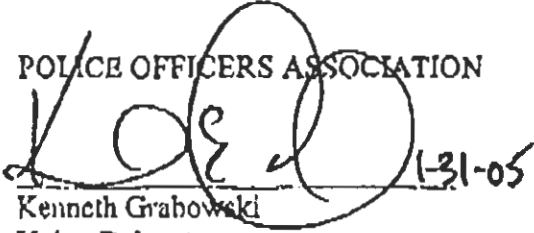
36.2: The shift differential will be added to the base rate of pay prior to figuring the overtime rate of pay for qualified hours.

FROM :

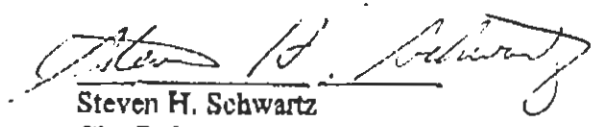
FAX NO. :12486267599

Jan. 28 2005 12:06PM P6

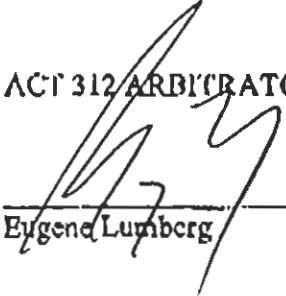
POLICE OFFICERS ASSOCIATION


Kenneth Grahowski
Union Delegate

CITY OF ROMULUS


Steven H. Schwartz
City Delegate

ACT 312 ARBITRATOR:


Eugene Lumberg

2/11/05
Date

FROM :

FAX NO. :12486267599

Jan. 28 2005 12:06PM P9

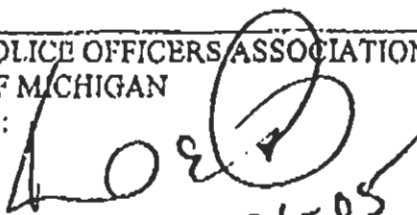
MEMORANDUM OF UNDERSTANDING REGARDING PENSION

The Police Officers Association of Michigan ("Union") and the City of Romulus ("City") agree as follows:

1. Effective July 1, 2005, the pension multiplier for bargaining unit employees shall be increased to 3.0.
2. Bargaining unit employees' contribution to the pension system (2.5% of base pay) shall remain unchanged from July 1, 2002 to June 30, 2005. Effective July 1, 2005, bargaining unit employees' contribution shall be increased to 4.0% of all compensation (the MERS definition of "compensation"). Effective June 30, 2006, bargaining unit employees' contribution shall be increased to 5.0% of all compensation (the MERS definition of "compensation").
3. The parties agree that Union Issue 2, Pension, except for the Union's demand to have the option to buy five years of additional credited service for prior police time, and City Issues 2 and 7 are resolved.
4. The arbitration panel shall consider the City's cost of implementing the pension improvement and the effect on employees' take-home pay from the increased employee contribution in evaluating unresolved economic demands by either party.

POLICE OFFICERS ASSOCIATION
OF MICHIGAN

Its:


BA - 1-31-05
PORA

CITY OF ROMULUS

Its: Mayor

CITY OF ROMULUS

Its: Clerk

Date: December __, 2004

REC'D JAN 17 2005

MEMORANDUM OF UNDERSTANDING REGARDING PENSION

The Police Officers Association of Michigan ("Union") and the City of Romulus ("City") agree as follows:

1. Effective July 1, 2005, the pension multiplier for bargaining unit employees shall be increased to 3.0.
2. Bargaining unit employees' contribution to the pension system (2.5% of base pay) shall remain unchanged from July 1, 2002 to June 30, 2005. Effective July 1, 2005, bargaining unit employees' contribution shall be increased to 4.0% of all compensation (the MERS definition of "compensation"). Effective June 30, 2006, bargaining unit employees' contribution shall be increased to 5.0% of all compensation (the MERS definition of "compensation").
3. The parties agree that Union Issue 2, Pension, except for the Union's demand to have the option to buy five years of additional credited service for prior police time, and City Issues 2 and 7 are resolved.
4. The arbitration panel shall consider the City's cost of implementing the pension improvement and the effect on employees' take-home pay from the increased employee contribution in evaluating unresolved economic demands by either party.

POLICE OFFICERS ASSOCIATION
OF MICHIGAN
Its:

[Signature]
CITY OF ROMULUS
Its: Mayor

[Signature]
CITY OF ROMULUS
Its: Clerk

Date: December 27, 2004

FROM :

FAX NO. :12486267599

Jan. 28 2005 12:06PM P7

**MEMORANDUM OF UNDERSTANDING – STIPULATIONS REACHED
AT THE DECEMBER 9, 2004 HEARING**

The Police Officers Association of Michigan ("Union") and the City of Romulus ("City") agree as follows:

1. The parties' successor collective bargaining agreement shall be effective from July 1, 2002 to June 30, 2006.

2. Article VIII, Section 8.3: Incorporate Letter of Understanding dated December 27, 2001 on seniority.

3. Article XXII, Discipline Procedure, Section 12.4: At the employee's discretion, vacation and personal days may be used in lieu of unpaid suspension days up to a maximum of five days.

4. Article II, Duty Disability, 20.4: Incorporate light duty Letter of Understanding.

5. Article XXII, Funeral Leave: Employees will be given five days to attend the funeral of their spouse, parent, spouse's parent, child, step-child, brother or sister with no mileage radius. Employees will be given two days to attend their grandparent's or grandchild's funeral.

6. Article XXIV, Vacations: Combine officer and dispatch vacations to one year of service – 10 working days; 2 years of service – 14 working days; 5 years of service – 20 working days of vacation.

7. Article XXVIII, Pension Benefits:

A. Codify into the contract that at age 65 the Blue Cross Supplement program begins.

B. Current City pension members may buy into MERS at the benefit level in effect as of the date of the arbitrator's award.

FROM :

FAX NO. :12486267599

Jan. 28 2005 12:06PM PB

8. Article XXXIII, Overtime Assignments: Delete Section 33.5, add to Section 33.3: "All overtime will be equalized and put on overtime cards except for court time."

9. Article XXXVII, Uniform and Cleaning: In Section 37.1 \$500.00 will be increased to \$800.00, \$300.00 will be increased to \$400.00. In Section 37.2 \$500.00 will be increased to \$800.00. In Section 37.3, delete paragraph A.

10. Dispatch Wages: The dispatch salary will be restructured from the current 71% of an officer's pay to 80% of an officer's pay at an eight year structure. This is retroactive to 7-1-03.

11. Article XLVII, K-9 Program: Add to Section 47.3 if officers cannot agree on the shift, they will alternate. Section 47.3A will be deleted.

12. Article XLVII, Termination of Agreement: Change the termination dates to properly reflect the extension of contract years.

POLICE OFFICERS ASSOCIATION
OF MICHIGAN

Its:

[Signature]
B.A. - P.O.A.
1-31-05

Date: January __, 2005

[Signature]
CITY OF ROMULUS

Its:

Mayor:

[Signature]

CITY OF ROMULUS

Its: Clerk

[Signature]
Date: January __, 2005