

2109

STATE OF MICHIGAN
COMPULSORY ARBITRATION

In the Matter of:

CITY OF CENTER LINE,
Employer,

-and-

POLICE OFFICERS ASSOCIATION
OF MICHIGAN,
Union.

Arising pursuant to
Act 312, Public Acts
Of 1969, as amended

Case No: D01 C-0311

OPINION AND ORDERS

Date of Decision: July 11, 2003

PANEL

Mark J. Glazer, Arbitrator
Joseph Fremont, Employer Delegate
James Tignanelli, Union Delegate

03 JUL 16 AM 10:26
STATE OF MICHIGAN
COMMISSION
CAPITAL OFFICE

APPEARANCES

Brian S. Ahearn
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600 South Adams
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William F. Birdseye
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Redford, MI 48239-1949

BACKGROUND

This matter was held pursuant to PA 312 of 1969, as amended by Act 127, PA of 1972 (MCLA 423.231 et.seq.). The Petition for Act 312 arbitration was filed by the Police Officers Association of Michigan, representing the approximately 27 public safety officers, on November 5, 2001. I was appointed as the panel chairperson on November 19, 2001. The first contract between the parties was from November 1, 1998 until June 30, 2001.

A pre-hearing conference was held on August 17, 2001, at which time the delegates were identified and the format for the last best offers and the procedure for the hearings was established. The parties agreed to waive all time limits, including the time for the preparation of the opinion and orders. Hearings were held on June 20 and June 28, 2002 and on February 21, 2003. An executive session was held on May 22, 2003. Last Best Offers were then submitted by the parties. They are attached at the end of this Opinion. The parties also submitted comprehensive post-hearing briefs.

ISSUES

UNION ISSUES

- 1. HOURS OF WORK (WITHDRAWN)**
- 2. WAGES**
- 3. PENSION-CONTRIBUTION**

EMPLOYER ISSUES

- 1. MEDICAL VERIFICATION FOR CERTAIN SICK LEAVE USE**
- 2. DEFINITION OF OFF-DUTY FOR CALL-IN PAY PURPOSES**
- 3. TWENTY (20) MILE RESIDENCY REQUIREMENT FOR NEW HIRES**
- 4. PRESCRIPTION DRUG CO-PAY OF \$10.00 FOR GENERIC AND \$20 FOR NAME BRAND DRUGS.**
- 5. LIMIT RETIREE HEALTH INSURANCE TO RETIREE AND SPOUSE FOR EMPLOYEES HIRED ON OR AFTER JULY 1, 2001.**

THE STATUTORY CRITERIA

The panel is to apply the provisions of Section 9 of Act 312. Pursuant to City of Detroit v DPOA, 408 Mich 410, 482, the panel need not afford equal weight to all factors. The Section 9 criteria are:

Sec. 9. Where there is no agreement between the parties or where here is an agreement but the parties have begun negotiations or discussions looking to a new agreement or amendment of the existing agreement, and wage rates or other conditions of employment under the proposed new or amended agreement are in dispute, the arbitration panel shall base its findings, opinions, and order upon the following factors, as applicable.

- (a) The lawful authority of the employer,
- (b) Stipulations of the parties,
- (c) The interests and welfare of the public and the financial ability of the unit of government to meet those costs,
- (d) Comparison of the wages, hours and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally:
 - (i) In public employment in comparable communities.
 - (ii) In private employment in comparable communities.
- (e) The average consumer prices for goods and services, commonly known as the cost of living.
- (f) The 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.
- (g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

- (h) Such other factors, not confined to the foregoing which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

SUMMARY

ISSUE	UNION	EMPLOYER	ADOPTED
m e d i c a l verification of illness	status quo	a f t e r t h r e e instances.	Employer
definition of off duty for call-in	status quo	status quo	status quo
20 mile radius for new hire residency	status quo	20 mile for new hires	Employer, effective date of award
i n c r e a s e i n prescription co-pay	status quo-\$5.00	\$10 generic \$20 brand name	Employer
Retiree healthcare contribution	status quo	limit to retiree and spouse for new hires	Union
Wages	7/1/01-12/31/01-2 1/1/02-6/30/02-2% 7/1/02-6/30/03-3.5 7/1/03-12/31/03-2 1/1/04-6/30/04-2% 7/1/04-6/30/05-3.5 7/1/05-12/31/05-2 1/1/06-6/30/06-2%	7/1/01-6/30/02-3% 7/1/02-6/30/03-2% 7/1/03-6/30/04-3% 7/1/04-6/30/05-2% 7/1/05-6/30/06-3%	See chart p.20
Employee pension contribution	effective date of award, reduce from 9.25% to 5%	Effective 7.01.04 reduce from 9.25% to 7.25 %	Employer

COMPARABILITY

The parties have selected the following comparables:

UNION	EMPLOYER
Berkley	East Grand Rapids
Beverly Hills	Farmington
Bloomfield Hills	Grand Haven
Farmington	Greenville
Fraser	Grosse Pointe Park
Grosse Pointe	Huntington Woods
Grosse Pointe Farms	Springfield
Grosse Pointe Park	
Grosse Pointe Shores	
Grosse Pointe Woods	
Huntington Woods	
Oak Park	
Warren	

All of the above, with the exception of Warren are public safety departments like Center Line. The Union maintains that it has selected communities from the areas surrounding Center Line, and that it has included Warren, because Center Line is completely surrounded by that city. It contends that its comparables are appropriate because they are in the same labor market as Center Line. The Union notes that several of the Employer's comparables are hundreds of miles from Center Line, and that out state communities tend to have lower wages.

The Employer asserts that communities located in the lower half of Michigan with

populations and taxable value per capita within 50 to 150 percent of Center Line's are comparable.

The Employer also considered the criterion of median household income.

DISCUSSION OF COMPARABILITY

The parties are in agreement as to three of the comparables: Farmington, Grosse Pointe Park and Huntington Woods. Warren should be rejected, both because it is not a public safety department, and because it is so statistically different from Center Line. The out state communities: East Grand Rapids, Grand Haven, Greenville, and Springfield should be rejected because they are far outside of Center Line's labor market: wages and housing costs are going to lower in the Battle Creek area than they are in Macomb County. The other public safety communities listed by the Union, while in the appropriate labor market, are statistically dissimilar from Center Line.

Although from a statistical standpoint there should be at least ten communities for an analysis to avoid over weighting any of them, the parties have agreed to three, which provides a basis for an analysis that is consensual. Further, as will be discussed later, this a case where internal comparability is much more important than external analysis. Accordingly, the external comparables are: Farmington, Grosse Pointe Park and Huntington Woods.

NON-ECONOMIC ISSUES

CITY ISSUE I: MEDICAL VERIFICATION FOR CERTAIN SICK LEAVE USE

The current contract provides for the following in regard to sick leave verification:

The Department Head may require medical verification to justify use of sick leave in cases of three (3) or more consecutive days of sick leave, or after six (6) instances of sick leave in a fiscal year, or when an Employee's pattern of sick leave usage indicates abuse of sick leave.

The City seeks to modify the language as follows:

The Department Head may require medical verification to justify use of sick leave in cases of three (3) or more consecutive days of sick leave, or **after three (3) instances of sick leave in a fiscal year; (an instance is any number of sick days taken consecutively, unless accompanied by medical verification);** or when an Employee's pattern of sick leave usage indicates abuse of sick leave.

The City argues that the data shows that there has been sick leave abuse involving usage of sick leave in two day increments, and the use of sick days in conjunction with other leave days to extend the time off. It is further maintained that all other city units have accepted this language, including the COAM.

The Union argues that the Employer's proposed notification of officers that it regards as sick leave abusers should remedy any potential problem, without the need to penalize officers by creating unnecessary constraints. The Employer's offer is said to be premature.

DISCUSSION

This is a situation where internal comparability requires that the LBO of the Employer be accepted. I am particularly influenced by the Command Officer's acceptance of the proposal. Moreover, the Employer's proposal has been accepted by all of the other units within the City. The record has not established a basis for placing the PSO's out of step with the rest of the City, at a time in which the Employer is concerned about sick leave abuse. Accordingly, the LBO of the City on sick leave abuse should be awarded.

CITY ISSUE II: DEFINITION OF OFF-DUTY FOR CALL-IN PAY PURPOSES

During the course of the proceeding the Employer sought to withdraw this issue; the Union made no final offer concerning the issue, thereby agreeing to the status quo. The Employer agrees in its post-hearing brief that its withdrawal attempt was designed to preserve the status quo. Therefore, the parties are in agreement that the status quo should be maintained, and that is appropriate order of the panel.

CITY ISSUE III : TWENTY MILE RESIDENCY REQUIREMENT FOR NEW HIRES

The current contract does not provide for a restriction on residency. The Employer seeks a 20 mile residency requirement for post July 1, 2002 hires. It argues that the evidence supports that PSOs living more than 20 miles from the City are less likely to respond to off-duty call-ins than officers living closer to Center Line. The City further asserts that the COAM has agreed to this restriction as have all of the other bargaining units. It is additionally noted that there are favorable living opportunities for officers within 20 miles of the City.

The Union argues that the evidence fails to support that distance from the City is correlated with willingness to respond to a call-out. Also, it is maintained that there has never been a shortage of available personnel, even in the absence of a restriction on residency.

DISCUSSION

Internal comparability with the COAM would support the Employer's LBO. In particular, the command group is dependent on promotions from the PSOs. If the same 20 mile restriction is not awarded to the PSO for new hires, a new hire could be forced to sell his/her home outside of the 20 mile limit to achieve a promotion, or he/she might decide to forego a promotion to maintain family stability. This result would not be good for either the officers or the City.

Also, it was not established that officers would be significantly disadvantaged by a 20 mile restriction, while there are potential safety benefits to the City. Accordingly, the City's LBO should be awarded with one modification. Because of the difference in completion dates for the Command

Officers and the PSOs, the effective date of the 20 mile residency restriction should be the date of the Award in this proceeding rather than July 1, 2002. Consequently, the Order should read:

All members of the bargaining unit first hired by the City on after the date of the 2003 Act 312 Award shall reside (actual domicile) within twenty (20) miles of the nearest boundary of the City, as a condition of employment.

ECONOMIC ISSUES

CITY ISSUE I: PRESCRIPTION DRUG CO-PAY OF \$10.00 FOR GENERIC AND \$20 FOR NAME BRAND DRUGS

The Employer proposes to increase the prescription co-pay to \$10.00 for generic drugs and \$20.00 for name brand drugs. There is currently a \$5.00 co-pay. It emphasizes that all other units have agreed to this plan as the quid pro quo for the wage increases that were offered.. The City further notes that as the result of the pendency of this proceeding it has lost the equivalence of a 2 percent wage increase in the first year of the contract and a 2.5 percent wage increase in the second year. It contends that the co-pays must be awarded to staunch further losses.

The Union argues that the evidence fails to support the need for a change. It contends that the majority of the comparables enjoy a \$5.00 co-pay.

DISCUSSION

The evidence supports that the City faces a difficulty economic environment, and that its proposal will result in significant economic savings, which will enable it to make wage and pension improvements that would otherwise be unavailable. Also internal comparability favors the Employer, since the COAM and the other units have agreed to the City's proposal. Finally, the overall wage gains achieved by the Union in this matter would support a quid pro quo for the increase of prescription co-pays.

CITY ISSUE II: LIMITATION OF RETIREE HEALTH INSURANCE TO RETIREE AND SPOUSE FOR EMPLOYEES HIRED ON OR AFTER JULY 1, 2001

The City in this issue seeks to reduce exposure for officers who retire and then either remarry or take on additional dependents. It is noted that this has occurred on several occasions and the City contends that the cost savings are necessary. The Employer further notes that its proposal has been accepted by all of the bargaining units within the City of Center Line.

The Union argues that it was not established why only new hires should lose aspects of their health coverage. Further, it is maintained that officers are already contributing an excessive amount themselves to their pension plan, and that there is a separate millage that is available to pay the costs associated with this issue.

DISCUSSION

Insofar as some of the bargaining unit will retire as command officers, part of the cost savings that the City seeks will occur when bargaining unit members are promoted, since the retiree health care plan sought by the City has been accepted by the command officers. For the remaining officers, the overall package awarded in this arbitration would not support an award of the Employer's position on this issue at this time.. Also, the significant pension cost for the bargaining unit supports a rejection of the Employer's offer, since the officers are making a meaningful contribution to their own retiree health care. Accordingly, the Employer's LBO should be rejected and the status quo maintained.

UNION ISSUE I: WAGES

The period from July 1, 2001 to July 1, 2006 is at issue for wages. Center Line seeks to maintain the same wage package for the POAM as the one agreed to by the command officers. The Union, however, contends that City and COAM breached an historical wage differential with the PSOs in their last contract, and that there should be an approximate return to that differential in the present one.

The Union argues that from 1992 until 1998 there was a fixed differential of 15.56% between the PSOs and the command officers. However, commencing with the 1998 contract, the differential rose to 18.84%. The Union agrees that in 1998 the position of corporal was created in the PSO unit to fill in for absent sergeants. Previously, PSOs received acting sergeant pay when they substituted for a sergeant. The creation of the corporal classification was cost- neutral for the Employer; that is, the new position did not cost the City any more money than paying acting sergeant pay.

The Union has offered in its brief two alternative plans for closing the gap with the command officers. It further maintains that even with salary improvements, Center Line officers will be the poorest paid public safety officers in the tri-county area. The Union argues that if the City's LBO is accepted, the officers will fall even further behind the comparable communities.

The City contends that its offer of 3% in the first year to other units was predicated upon their acceptance of the new drug co-pay plan. Because the PSOs did not accept this plan, it is asserted that the equivalence of a 2% wage increase was lost in the first year. The City also argues that it lost the equivalence of a 2.5% wage increase in the second year, by the PSOs failure to accept the new co-pays. It is contended that there is no justification for the PSOs receiving more than the other

units.

The City asserts that the creation of the three Public Safety Corporals justified a change in the differential with the command unit. It notes that these three officers received a 7.5% step-up over other PSO officers, and that the position of corporal represents a new promotional opportunity. In contrast, it is noted that the differential between corporal and sergeant was reduced from 15.56% to 10%.

DISCUSSION

There isn't a 15% differential found in the contracts of the PSOs and sergeants; however, there was a significant practice prior to the last contract of such a differential. Practices of the parties are a factor that can be considered in Act 312 proceedings pursuant to paragraph 9 (h). However, practices are subject to change due to changed circumstances.

The City argues that there were changed circumstances due to the creation of the three corporals, who had salaries which reduced the historic differential between PSOs and command officers. This is said to have justified the increase in the differential. However, the evidence shows that the Employer sought the creation of the corporal classification to replace the prior system, where all members of the bargaining unit shared in acting sergeant pay. Ms. Bourgeois, the city manager, said:

There was a clause in the collective bargaining agreement, which I believe still exists, regarding acting rank pay, which would provide that the senior man, senior officer on the shift, in the absence of the sergeant, would receive additional pay for acting in the capacity of a supervisor. However, the employer felt that, although it—you know, it was agreed upon in the collective bargaining agreement, it was not necessarily suitable to the employer's needs, in that just because the officer—the senior officer on that particular shift was left in charge in the absence of the sergeant solely on the basis that he was a senior officer was not necessarily—did not necessarily qualify him or her to be the most suitable supervisor. So the employer felt that, if a corporal rank was instituted, we would agree to promote three individuals, pay them a higher rank all of the time to act in the capacity of a supervisor in the absence of a sergeant.

(Feb. 21, 2003 hearing, p.66)

The evidence, therefore, reveals the following:

1. The proposal to create corporals in the PSO unit came from the City.
2. The cost to City was the same with or without corporals.
3. The PSO-sergeant differential increased after corporals were created.

Internal comparability and internal fairness is important to the Employer's theory in this case. While I can appreciate that the City wanted to accommodate the command officers by increasing the differential, the overall pay to PSOs didn't change when the corporals were created: there was just a change in who received the money for replacing sergeants. Accordingly, the increase in the differential should be rectified. This correction should increase morale in the PSO unit, which in turn should benefit the public, which is an Act 312 factor.

There is another reason to remedy the differential. The 1998 contract, creating the corporals, establishes a 7.5% differential with the PSOs. At that time there was a 15% differential between the sergeants and the PSOs. The pay for the corporals would seem to be a mid-point between a PSO,

and a sergeant earning 15% more. This supports that the 1998 contract was agreed to with an understanding of a practice with a differential of 15%.

Finally, there is the issue of the Employer's 2% wage offer for the year beginning July 1, 2004 versus the Union's offer of 3.5% for the same period. The City notes that its offer to the COAM was based upon a pension improvement of 2.8%, up from 2.5%. This improvement was offered to the POAM but was rejected. In its final pension offer, the City offers to reduce the PSOs employee contribution by 2%, from 9.25% to 7.25%.

The city manager testified that the cost of the pension improvement for the command officers was "approximately three-percent-two-and-a-half to three-percent"(T.60). This means that it would appear that the pension improvement for the command officers is worth more than the one presently offered to the POAM (2.5 to 3 percent for the COAM pension improvement vs. 2 percent for the POAM for the reduction in employee pension contribution). Yet the wage offer from the City is the same for both the COAM and the POAM. Since the Employer's 2004 wage offer to the command officers was based on a higher costing pension improvement, there should be a higher wage offer to the POAM to achieve internal comparability and fairness. Consequently, the union's wage offer is required in 2004 for internal comparability as well as in 2002 to maintain an appropriate differential with the command officers.

There is the very real issue of the lost gains to the City in health care costs due to the delay in achieving a contract. However, because the Union's pay differential theory was shown to be legitimate, it cannot be faulted for the delay. Wages should be awarded as follows:

Year	Employer Offer	Union Offer
7/1/01	3%	
7/1/02		3.5%
7/1/03	3%	
7/1/04		3.5%
7/1/05	3%	

The above approach is designed to obtain an additional three percent for the unit to preserve the differential, and also to reflect the apparent added value of the command officer's pension benefit. The wages should be paid retroactively, as required. There is no intent in this award to create a specific differential, but rather only a general practice is meant to be reflected.

UNION ISSUE II: EMPLOYEE PENSION CONTRIBUTION REDUCTION

POAM proposes to lower the employee pension contribution from 9.25 % to 5%, effective the date of the award. The City offers to reduce the contribution rate to 7.25 %, effective 7/1/04. The Union maintains that a review of the comparables shows that Center Line officers are making an excessive contribution. Further, the union argues that there is a designated millage available in Center Line for pensions, which could easily sustain the union's offer.

The City notes that POAM is asking for a pension improvement a year earlier than the pension improvement accepted by the COAM. Additionally, it is argued that the Union accepted the current contribution level as the quid pro quo for prior multiplier increases and a 20 and out benefit. The City also maintains that bargaining unit members will be eventually promoted to the command group, where they will have the benefit of a higher multiplier at the time of their retirement. Center Line further contends that the cost of the Union's offer is higher than the one awarded to the command officers.

DISCUSSION

The POAM's pension offer is of greater cost than the one agreed to by the COAM, particularly since it would come into effect sooner. Therefore, internal comparability would favor the Employer. Also, part of the reason for awarding the wages in this proceeding was the higher value of the COAM pension improvement over that proposed by the City for the POAM. The award of the union wage offer during the year of the pension improvement militates in favor of awarding

the City's pension offer. Further, the Section 9 factors of Act 312 take into consideration the overall value of the package, and factors normally considered in collective bargaining and in arbitration. The Union has achieved significant wage improvements to create equity with command pension gains and salaries. It would not be expected that there would be a further major gain in pensions, especially since the Employer's offer does represent a meaningful gain, and since the Union got to the place that it is at in terms of pension contributions as a result of collective bargaining. Consequently, the Last Best Offer of the City should be awarded on pensions.

ORDERS

CITY ISSUES-- NON-ECONOMIC

1. MEDICAL VERIFICATION FOR CERTAIN SICK LEAVE USE

The Last Best offer of the City is ordered.

2. DEFINITION OF OFF-DUTY FOR CALL-IN PAY PURPOSES

The status quo is ordered.

3. TWENTY (20) MILE RESIDENCY REQUIREMENT FOR NEW HIRES

All members of the bargaining unit first hired by the City on after the date of the 2003 Act 312 Award shall reside (actual domicile) within twenty (20) miles of the nearest boundary of the City, as a condition of employment.

CITY ISSUES--ECONOMIC

4. PRESCRIPTION DRUG CO-PAY OF \$10.00 FOR GENERIC AND \$20 FOR NAME BRAND DRUGS.

The Last Best offer of the City is ordered.

5. LIMIT RETIREE HEALTH INSURANCE TO RETIREE AND SPOUSE FOR EMPLOYEES HIRED ON OR AFTER JULY 1, 2001.

The Last Best offer of the Union is ordered.

UNION ISSUES-ECONOMIC

1. WAGES

The following is ordered pursuant to the last best offers of the parties:

Year	Employer Offer	Union Offer
7/1/01	3%	
7/1/02		3.5%
7/1/03	3%	
7/1/04		3.5%
7/1/05	3%	

2. EMPLOYEE PENSION CONTRIBUTION

The Last Best Offer of the Employer is awarded.

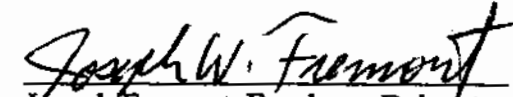
SIGNATURES OF PANEL MEMBERS

Date: July 11, 2003



Mark J. Glazer, Chairperson

Date: July 8, 2003



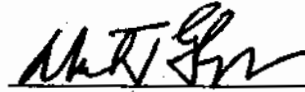
Joseph Fremont, Employer Delegate
(Concurs on all issues awarded to the
City; dissents on all issues awarded
to the Union.)

Date: _____

James Tignanelli, Union Delegate
(Concurs on all issues awarded to the
Union; dissents on all issues awarded
to the City)

SIGNATURES OF PANEL MEMBERS

Date: July 11, 2003

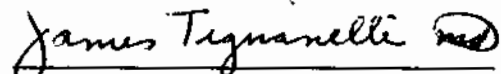


Mark J. Glazer, Chairperson

Date: _____

Joseph Fremont, Employer Delegate
(Concurs on all issues awarded to the
City; dissents on all issues awarded
to the Union.)

Date: _____



James Tignanelli, Union Delegate
(Concurs on all issues awarded to the
Union; dissents on all issues awarded
to the City)

STATE OF MICHIGAN
COMPULSORY ARBITRATION

In the Matter of:

CITY OF CENTER LINE,

Public Employer,

Arising pursuant to
Act 312, as amended

-and-

Case No. D01 C-0311

POLICE OFFICERS OF
MICHIGAN,

Labor Organization.

CITY OF CENTER LINE'S LAST OFFERS OF SETTLEMENT

CITY ISSUES

1. Change the third sentence in Article 23, Sick Leave, paragraph (.1) to read:

"The Department Head may require medical verification to justify the use of sick leave in cases of three (3) or more consecutive days of sick leave, or after three (3) instances of sick leave in a fiscal year; (an instance is any number of sick days taken consecutively, unless accompanied by medical verification); or when an employees pattern of sick leave usage indicates abuse of sick leave." (Non-Economic)

2. If the Arbitration Panel were to find that this issue is still before the Panel for determination on the merits, Add to Article 30, Hours of Work, at the end of paragraph (e) the following:

"For purposes of this provision, employees shall not be considered to be off-duty until they have left the property of the City of Center Line Municipal Complex." (Non-Economic)

3. In Article 34.1, Hospitalization, Medical, Dental and Optical Insurance, change the co-pay of the prescription drug rider of \$10.00 for generic and \$20.00 for name brand drugs in paragraph (A) and paragraph (B). (Economic)
4. Add to Article 35.6, Retirement, For employees first hired by the City on or after July 1, 2001, the retiree health insurance provided by the City shall be limited to the retiree and the spouse, if any, of the retiree at the time of retirement. (Economic)
5. Amend Article 48, Residency, to read as follows:

“All members of the bargaining unit first hired by the City on or after July 1, 2001, shall reside (actual domicile) within twenty (20) miles of the nearest boundary of the City, as a condition of employment.” (Non-Economic)

POAM ISSUES

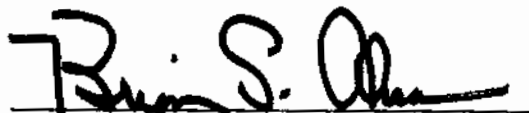
- | | |
|--|--|
| 1. Wages for Public Safety Officer, Public Safety Corporal and Clerk/Dispatcher 7-1-01 to 6-30-02 (Economic) | Effective 7-01-01, 3% wage increase for all classifications. |
| 2. Wages for Public Safety Officer, Public Safety Corporal and Clerk/Dispatcher 7-01-02 to 6-30-03 (Economic) | Effective 7-01-02, 2% wage increase for all classifications. |
| 3. Wages for Public Safety Officer, Public Safety Corporal and Clerk/Dispatcher 7-01-03 to 6-30-04 (Economic) | Effective 7-01-03, 3% wage increase for all classifications. |
| 4. Wages for Public Safety Officers, Public Safety Corporal and Clerk/Dispatcher 7-01-04 to 6-30-05 (Economic) | Effective 7-01-04, 2% wage increase for all classifications. |
| 5. Wages for Public Safety Officers, Public Safety Corporal and Clerk/Dispatcher 7-01-05 to 6-30-06 (Economic) | Effective 7-01-05, 3% wage increase for all classifications. |
| 6. Wage Differential Between Public Safety Officer and Public Safety Sergeant. (Economic) | City opposes establishment of any contractual wage differential between these classifications in different bargaining units. |

7. Reduction in Public Safety Officer's
and Public Safety Corporal's
Contribution to Police and Fire
Retirement System (Economic)

Effective 7-01-04, Reduce Public
Safety Officer's and Public Safety
Corporal's Contribution to Police
and Fire Retirement System by 2%
from 9.25% to 7.25%.

Respectfully submitted,

BY:



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(248) 433-1414

Dated: March 6, 2003

IN THE MATTER OF
ARBITRATION UNDER ACT 312
PUBLIC ACTS OF 1969
AS AMENDED

BEFORE: MARK A. GLAZER, ESQ., IMPARTIAL CHAIRMAN

CITY OF CENTER LINE

- and -

MERC Case No: D01 C-0311

POLICE OFFICERS ASSOCIATION
OF MICHIGAN

UNION'S FINAL OFFER
OF SETTLEMENT

Police Officers Association
of Michigan
27056 Joy Road
Redford, MI 48239
(313) 937-9000

ISSUES

Union

1. Wages:
Public Safety Officer
Public Safety Corporal
Clerk/Dispatcher
2. Wage Differential:
Public Safety Officer
Public Safety Corporal
Clerk/Dispatcher
3. Employee Pension Contribution
4. Hours of Work:
Definition of Off-Duty

Employer

1. Prescription Drug Rider
2. Retiree Health Care
3. Sick Leave Verification
4. Residency

UNION ISSUE #1

WAGES

Union's Final Offer of Settlement:

July 1, 2001 through December 31, 2001
(2% Across-the-Board)

	START	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS
Public Safety Officer	31,357	34,711	38,065	41,419	44,774	48,127
Public Safety Corporal						51,736
Clerk/ Dispatcher	24,154	25,529	26,444	27,642		

January 1, 2002 through June 30, 2002
(2% Across-the-Board)

	START	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS
Public Safety Officer	31,984	35,405	38,827	42,248	45,669	49,089
Public Safety Corporal						52,771
Clerk/ Dispatcher	24,637	26,039	26,972	28,195		

July 1, 2002 through June 30, 2003
(3.5% Across-the-Board)

	START	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS
Public Safety Officer	33,103	36,644	40,186	43,726	47,268	50,807
Public Safety Corporal						54,618
Clerk/Dispatcher	25,499	26,951	27,916	29,182		

July 1, 2003 through December 31, 2003
(2.0% Across-the-Board)

	START	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS
Public Safety Officer	33,765	37,377	40,989	44,601	48,213	51,823
Public Safety Corporal						55,711
Clerk/Dispatcher	26,009	27,490	28,475	29,765		

January 1, 2004 through June 30, 2004
(2.0% Across-the-Board)

	START	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS
Public Safety Officer	34,441	38,124	41,809	45,493	49,177	52,860
Public Safety Corporal						56,825
Clerk/Dispatcher	26,529	28,039	29,044	30,361		

July 1, 2004 through June 30, 2005
(3.5% Across-the-Board)

	START	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS
Public Safety Officer	35,646	39,459	43,272	47,085	50,899	54,710
Public Safety Corporal						58,814
Clerk/Dispatcher	27,458	29,021	30,061	31,423		

July 1, 2005 through December 31, 2005
(2.0% Across-the-Board)

	START	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS
Public Safety Officer	36,359	40,248	44,138	48,027	51,917	55,804
Public Safety Corporal						59,990
Clerk/Dispatcher	28,007	29,601	30,662	32,052		

January 1, 2006 through June 30, 2006
(2.0% Across-the-Board)

	START	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS
Public Safety Officer	37,086	41,053	45,021	48,987	52,955	56,920
Public Safety Corporal						61,190
Clerk/ Dispatcher	28,567	30,193	31,275	32,693		

Wages to be retroactive to July 1, 2001 for all hours compensated.

UNION ISSUE #2

WAGE DIFFERENTIAL

Union's Final Offer of Settlement:

The Union withdraws this issue.

UNION ISSUE #3

EMPLOYEE PENSION CONTRIBUTION

Union's Final Offer of Settlement:

Add language to contract:

Effective [date of award], members' total contribution to the retirement plan shall not exceed 5%.

Employee Pension Contribution to be effective date of award.

UNION ISSUE #4

HOURS OF WORK

Union's Final Offer of Settlement:

Union withdraws this issue.

EMPLOYER ISSUE #1
PRESCRIPTION DRUG RIDER

EMPLOYER ISSUE #2
RETIREE HEALTH CARE

EMPLOYER ISSUE #3
SICK LEAVE VERIFICATION

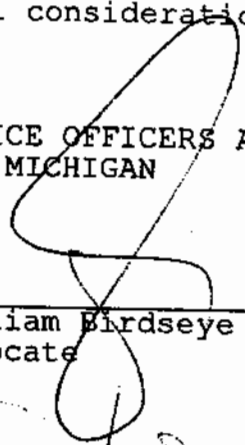
EMPLOYER ISSUE #4
RESIDENCY

Union's Final Offer of Settlement:

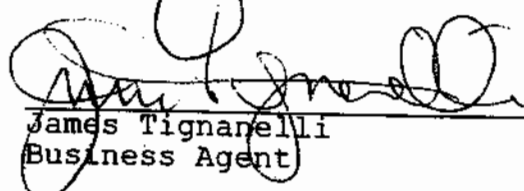
The Union rejects any change in the current language and/or practice and desires to maintain status quo.

Wherefore, the Final Offer of Settlement of the Union is
tendered in good faith and upon careful consideration.

POLICE OFFICERS ASSOCIATION
OF MICHIGAN



William Birdseye
Advocate



James Tignarelli
Business Agent

Dated: March 7, 2003