

THE CITY'S CASE

The City argues that it must reject the economic demands made by the Firefighters because it is fiscally unable to grant them. It is clear that the City's fiscal situation is, in fact, poor and has been that way for at least four (4) years. As early as April 30, 1974, the Municipal Finance Commission approved a Next Succeeding Year Tax Anticipation Note for the City of Ecorse in the amount of \$410,000. At the same time it directed the City to take immediate steps to eliminate the past deficit and ordered the City to consult with the staff of the Municipal Finance Commission for the purpose of establishing budgetary controls. One year later the City's accumulated General Fund deficit was found to have climbed nearly one-third (31%), instead of the \$374,335 deficit which previously existed there was a new deficit of \$490,021. Subsequently the Municipal Finance Commission on April 16, 1975 approved a Next Succeeding Year Tax Anticipation Note in the amount of \$500,000. On June 3, the Commission approved another Next Succeeding Year Tax Anticipation Note in the amount of \$271,000. In conjunction with each approval, however, the Commission directed the City to take immediate steps to eliminate its past deficit and to consult with the staff of the Commission for the purpose of establishing budgetary control.

Nevertheless on June 30, 1976 the General Fund deficit had been reduced only \$80,840 or 16.5%, from \$490,021 to \$409,181. Subsequently, on May 4, 1976 the Municipal Finance Commission required the City to submit its budget to the Commission for acceptance for 1976-77. The budget which was submitted by the City and accepted by the Commission proposed to reduce the accumulated deficit by \$214,281 by June 30, 1977. However an end of year audit on June 30, 1977 showed that the accumulated General Fund deficit had not been reduced but had grown by \$1,763 or .4%. Thereupon it was necessary once again for the Municipal Finance Commission to approve a Next Succeeding Fiscal Year Tax Anticipation Note in the amount of \$375,000 on February 22, 1977 and on April 19, 1977, a note in the amount of \$475,000. Again the City was ordered to

eliminate its deficit and to implement all recommendations in the Audit Report of June 1976,

In addition the City was ordered by the Commission to take several specific corrective actions to eliminate its accumulated deficit. Included were the following:

- 1) submit a 1977-78 fiscal year budget to the Municipal Finance Commission which entirely eliminates the General Fund deficit by June 30, 1978;
- 2) take immediate steps to implement whatever actions are necessary to comply with the 1977-78 budget including increasing revenues and cutting expenditures; and
- 3) passing resolutions to effectuate the revenue increases or the budget cuts.

Finally the Commission stated that failure by the City to take these immediate corrective actions would lead to a referral of the fiscal situation in Ecorse to the Attorney General for "consideration of appropriate legal action," as well as denial of future requests by the City of Ecorse to borrow additional monies.

THE UNION'S CASE

The Union is requesting an 8% increase in the annual base pay for all of its members. It proposes that the increase be deferred until on or after July 1, 1978 and then be paid in a lump sum. For 1978-79 the Union asks for increases of 4% effective October 1, 1978 and an additional 4% effective January 1, 1979.

Other Union demands were as follows:

1. Cost of Living increases based on periodic changes in the Detroit Consumer Price Index effective:
July 1, 1978; October 7, 1978; January 7, 1978,
April 7, 1978 and July 7, 1979.

2. Maintenance of Minimum Manpower at the level of maintenance in effect on December 1, 1977 and a minimum of six employees employed in the classification of Captain, Lieutenant, Sergeant, Engineer, Corporal, Assistant Engineer and/or Pipeman actively on duty on each shift.
3. Residency permitted within a thirty mile radius of the Main fire station of Ecorse.
4. Life insurance to be paid in full by the City of Ecorse up to \$10,000 on or off the job. Double indemnity payable in the amount of \$20,000 for accidental death on or off the job. Retired members shall have a City paid policy of \$5,000.
5. Effective July 1, 1978, each member of the Ecorse Fire Department who has fifteen (15) years of service within the Department shall receive one additional day of vacation per year.
6. Effective July 1, 1978, the City shall include in the bi-weekly salary of each member of the Ecorse Fire Department the appropriate pro-rated pay for fourteen (14) holidays consisting of the holidays listed above plus New Year's Eve Day.
7. Reduction in hours from 56 hour week to 50.4 hour week.
8. Compression of Salary Schedule for Pipeman Classification.
9. Clothing and Food Allowance
Conventions
Dental capped at \$600 per employee.

RECOMMENDATIONS

In support of the Firefighters' salary adjustment claims, the Arbitration panel notes two comparable municipalities, Berkley and Plymouth. Berkley presently pays its firefighters \$17,840 per year and will increase annual wages 5.6% in fiscal year 1978 and by 5.3% in fiscal year 1979, bringing the total increase to 11.2% over the two years. The Plymouth firefighter will make \$18,438 this year or 11.6% more than his Ecorse counterpart if no adjustment occurs this year. It is also acknowledged that the CPI increased more than 6.5% over the past year, a fact which adds further weight to the Union's argument. Yet the fiscal severity of the City of Ecorse is found to be sufficient to justify the City's proposal for no increase this year and the panel so recommends. Hence if any increase is to occur which will enable these employees to mollify the effects of rising prices and loss of parity, the effort must be taken in subsequent contract years. Hence the following salary is awarded:

AWARD 1

- Effective July 1, 1978 each member of the unit who was employed by the City of Ecorse in 1976-77 will be eligible to receive a four per cent (4%) bonus payable in the first pay date following July 1.
2. Effective July 1, 1978 the base salary schedule shall be increased four per cent (4%).
 3. Effective December 1, 1978, the salary schedule shall be increased four per cent (4%).
 4. Effective March 1, 1979, the salary schedule shall be increased two per cent (2%).
 5. Effective July 1, 1979-80 the salary schedule shall be increased five per cent (5%).

AWARD II

This Arbitration Panel is aware of the serious impact which fluctuation in the cost of living has on the capacity of wage earners to maintain their living standard. It is noted, however, that commensurate increases in salary against the CPI standard generally did not occur in the Union's proofs. Although other municipalities may include a separate COLA provision, this was not shown to be true in all cases. The Employer has shown ample reason, however, as to why the City of Ecorse should not be bound by such a provision.

The Union's demand for a Cost of Living Clause based on periodic changes in the Detroit CPI is denied.

AWARD III

The matter relating to Maintenance of Minimum Manpower is remanded to the parties for further negotiation and agreement, in the event implementation of the economic provisions of Award I necessitates no reduction in force. Should implementation require force reduction, however, such reduction shall not be greater than two (2) employees.

AWARD IV

The Union argues that few new homes are being built in the City of Ecorse. Because of redlining practices, home insurance for present residents is also difficult to obtain at reasonable costs. Thirdly, the Union points out that schools are closing in Ecorse and the desire for more adequate educational options for their children compel firefighters to seek a residency clause in their contract with the City.

The City argues that schools are closing because of a decline in pupil enrollments which have nothing to do with the quality of education. Residency is a pre-condition for employment that is mandated by the City Charter. After being hired the employee receives a Departmental Manual which carries a stipulation that prohibits him from moving outside of Ecorse. There is a need for those employees who guard the City's safety to also contribute to its economic welfare. Living in close proximity also increases the employees' availability to the City and to the

neighboring municipalities with which the City maintains reciprocity agreements affecting their common safety, the Employer argued.

The Employer's claims are found to have merit. Hence the proposed change in residency requirements is denied.

AWARD V

The last offer of settlement of the Union on the issue of compression of salary schedule for pipeman classification is to include within the collective bargaining agreement between the parties the following provision:

Effective July 1, 1978, all members of the Ecorse Fire Department classified as Pipeman shall progress to full pay over a three-year period by changing the present pipeman (over 4 years) classification to pipeman (over 3 years) with no loss of pay or fringe benefits and by eliminating the present Pipeman (3-4 years) classification. Effective July 1, 1978, members of the Ecorse Fire Department classified as Pipeman (3-4 years) shall immediately advance to the rate of pay of the Pipeman (over 3 years) classification.

The above provision is awarded.

AWARD VI

The last offer of settlement of the Union on the issues of clothing and food allowance is to retain the status quo; that is, the existing collective bargaining agreement provision which presently provides:

Effective July 1, 1976, the City shall pay to each member of the Ecorse Fire Department the total amount of \$667.00 per year as a food allowance. Payment of food allowance shall be made during the month of July.

Effective July 1, 1976, the City shall pay to each member of the Ecorse Fire Department below the rank of Lieutenant a clothing allowance of \$200 per year and a cleaning allowance of \$275 per year. The City shall pay to each member above the rank of Sergeant a clothing allowance of \$250 per year and a cleaning allowance of \$275 per year. Both cleaning and clothing allowance shall be paid during a period in July of each year.

The above provision is retained in the Successor Agreement.

The Union proposes continuation of a dental plan capped at \$600 per member. The following modification by the Arbitration panel reads:

AWARD VII

Effective July 1, 1976, each member of the Ecorse Fire Department and his family shall be covered by the Delta Dental Plan of Michigan, Class I, Basic Benefits, and Class II Prosthodontic Benefits, paid for by the City. The maximum benefit payable in any one contract year or any portion thereof shall be \$600 per eligible person for Class I and Class II current benefits combined. Payments for benefits received shall be made on a 60-40 co-pay basis.

AWARD VIII

The Arbitration panel awards the following life insurance:

Effective July 1, 1978, the life insurance obtained for each member of the Ecorse Fire Department shall be increased to \$15,000.

[Note: Union Exhibit 25, Berkley awards \$20,000 in life insurance.]

AWARD IX

The Arbitration panel awards the following change in the policy covering vacations:

Effective July 1, 1978, each member of the Ecorse Fire Department who has fifteen (15) years of service within the Department shall be entitled to one additional day of vacation per year.

[Note Union Exhibit 26, This Award gives Ecorse a slightly better vacation package than either Berkley, Plymouth or River Rouge]

AWARD X

The Union's last offer on holiday pay reads:

Effective July 1, 1978, the City shall include in the bi-weekly salary of each member of the Ecorse Fire Department the appropriate pro-rated pay for 14 holidays consisting of the holidays listed above plus New Year's Eve Day.

[Note: This provision is denied. Insufficient proofs.]

AWARD XI

The Union has proposed the following:

Effective July 1, 1978, all members of the Ecorse Fire Department presently employed on a 56-hour average work week basis shall have their average work week reduced to 50.4 hours per week with no reduction in base pay or other fringe benefits.

The above proposal by the Union is denied, /See Union Exhibit 12. Note that the City of Ecorse has parity with River Rouge, Berkley and Plymouth.7

AWARD XII

The Union proposes maintenance of present contract language which reads:

The parties hereto further agree that the four members of the Executive Committee of Local 1990, I.A.F.F., jointly or severally may attend one state convention and one national convention each year during the term of this Agreement without loss of pay or other compensation or benefit, and without cost to the City for any expense related thereto.

The Arbitration panel awards the above settlements and pending ratification by the parties recommends their incorporation into a successor Agreement. The predecessor Agreement shall be amended to include these Awards as stated.

Johnnie B. Jones, Sr.

Manuel Salas

Edward Simpkins

May 2, 1978
Date