

STATE OF MICHIGAN
EMPLOYMENT RELATIONS COMMISSION
LABOR RELATIONS DIVISION

In the Matter of Statutory Arbitration Between:

Grand Rapids Fighters Association, Local 366,
IAFF, AFL-CIO

-and-

MERC Case No: L07 D-7010

City of Grand Rapids, Michigan

Michael P. Long, Chair
Joseph Dubay, Fire Fighter Delegate
Kenneth Deering, Employer Delegate

ACT 312 ARBITRATION DECISION

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STATE OF MICHIGAN
EMPLOYMENT RELATIONS COMM.
DETROIT OFFICE

Appearances:

For the Union:
Anne L. Patton, Esq.
Anne L. Patton, P.C.
615 Griswold, Suite 1805
Detroit, MI 48226

For the Employer:
John H. Gretzinger, Esq.
Mika Meyers Beckett & Jones PLC
900 Monroe Avenue NW
Grand Rapids, MI 49503

STATE OF MICHIGAN
EMPLOYMENT RELATIONS COMMISSION
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ACT 312 ARBITRATION DECISION

The Petition for Arbitration in this case was filed on after the parties reached an impasse in their negotiations for a new contract. A pre-arbitration hearing conference was held on December 19, 2008. The parties have stipulated to a three (3) year contract from July 1, 2007 through June 30, 2010. It is noted that the contract has reached its scheduled expiration date prior to the issuance of the award in this matter.

There were six days of arbitration hearings held pursuant to Act 312 all at the offices of Local 366 of the International Association of Fire Fighters in Grand Rapids, Michigan.

The City is represented by John H. Gretzinger of the law firm of Nantz, Litowich, Smith, Girard & Hamilton. The Union is represented by Alison L. Paton of the law firm of Alison L. Paton, P.C.

In this decision, I will summarize the positions of the parties, and then in appropriate instances make a determination as to the award along with the reason.

STATUTORY AUTHORITY

Public Act 312 of 1969 provides for compulsory arbitration of labor disputes in municipal police and fire departments. Section 8 of the Act provides that the arbitration panel shall adopt the last offer of settlement on each economic issue, which most nearly complies with the factors prescribed in Section 9 of the Act. Section 9 of the Act reads as follows:

“Where there is no agreement between the parties, or where there 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 as 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." [MCLA 423.239]

STIPULATIONS OF THE PARTIES

During the arbitration proceedings, the parties met on a number of occasions and reached settlement on many issues. The settlement agreements are set forth below in the order that they were provided to me, and are made part of this decision. At the end of this section will be signature blocks for each of the panel members to sign, indicating that they agree that the stipulations are as set forth.

JT EX #

STATE OF MICHIGAN
DEPARTMENT OF CONSUMER & INDUSTRY SERVICES
Employment Relations Commission
Labor Relations Division

CITY OF GRAND RAPIDS

Employer,

Case No. L07 D-7010
Michael P. Long
Act 312 Chairperson

and

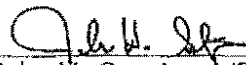
GRAND RAPIDS FIRE FIGHTERS
ASSOCIATION, IAFF LOCAL 366

Labor Organization.

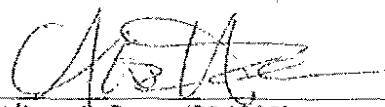
SUMMARY OF TENTATIVE AGREEMENTS REACHED AS OF JANUARY 23, 2009

The City of Grand Rapids and the Grand Rapids Fire Fighters Association, IAFF Local 366 stipulate and agree that the attached matters have been resolved by the parties and will be included in the collective bargaining agreement upon the issuance of the Act 312 Award in this matter.

Dated: January 23, 2009



John H. Gretzinger (P28979)
Attorney for the City of Grand Rapids



Alison E. Paton (P34803)
Attorney for the Grand Rapids Fire
Fighters Association, IAFF Local 366

IAFF L-366 PROPOSAL #3

THAS
05-22-08
For L-366
GM

ARTICLE 3. MANAGEMENT SECURITY

SECTION 1. NO STRIKES OR PICKETING

The Union and employees agree that during the life of this Agreement they will not cause, encourage, participate in or support any strike or picketing against Management or on any slowdown or other interruption of or interference with the normal functions of Management concerning any matter which is subject to the grievance procedure or to the jurisdiction of the board of Arbitration. Violation of this paragraph shall be grounds for disciplinary action up to and including discharge without recourse to the grievance procedure.

IAFF #3

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)

MAY 22, 2007

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Jed 5-22-08

ARTICLE 7. UNION STEWARDS AND OFFICIALS

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SECTION 2. STEWARD REPRESENTATION

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- B. Upon the request of an employee, a Steward shall be present and participate at any private meeting between a higher ranking officer and/or management representative, and the employee. If the meeting involves investigation into misconduct of the employee or management reasonably expects the meeting to result in disciplinary action to the employee, the Union President or Vice President (or their designee in writing) and the Steward shall be afforded the opportunity to be present, unless the employee waives such right to representation in writing prior to the meeting. In such cases where a waiver is signed, a copy shall be provided to the Union. THESE PROVISIONS SHALL NOT APPLY IN THE FOLLOWING CIRCUMSTANCES:
1. WHEN PREPARING AND RESEARCHING FOR AN ARBITRATION.
 2. MEETINGS BEING HELD TO DISCUSS IMPOSITION OF DISCIPLINE BETWEEN MANAGEMENT PERSONNEL OF THE CITY.

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
February 7, 2008

ARTICLE 8. GRIEVANCE PROCEDURE

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SECTION 3. PROCEDURE AND ARBITRATION AND TIME LIMITS

Grievances will be processed in the following manner and within the stated time limits:

- A. Step 1: The grievance shall be reduced to writing and signed by the aggrieved employee or group of employees and by the Union Steward. The grievance shall be prepared in accordance with the provisions of this Article and be dated. The grievance shall be presented OR SENT to the Fire Chief LABOR RELATIONS OFFICE within 15 calendar days of the occurrence OR WHEN THE EMPLOYEE HAD KNOWLEDGE OF THE OCCURRENCE of the alleged violation, not including the day of occurrence. ACCEPTABLE MEANS OF PRESENTATION SHALL INCLUDE IN PERSON, BY FAX, OR BY EMAIL. The Fire Chief will reply to the grievance in writing within 15 calendar days of date of the presentation of the written grievance, not including the day of presentation. Such reply will be given to the Union President, Vice President, and the grievant either personally or by mail, postmarked no later than the last day specified herein for such reply. In the event the Fire Chief is absent, the grievance shall be presented to and answered by the Labor Relations Office within the time limits set forth above.
- B. Step 2:
 1. If the grievance is not settled at Step 1, the written grievance shall be presented to the Labor Relations Office within 15 calendar days after the Fire Chief's response is given RECEIVED, not including the day of response. The grievance shall be presented along with all pertinent correspondence to date.
 2. Within 15 calendar days the parties shall meet to discuss the grievance. Each party shall be limited to 3 participants, unless mutually agreed otherwise.
 3. The Labor Relations Office will reply to the grievance in writing within 15 calendar days of the date of the meeting. Such reply will be given to the Union President, Vice President, and the grievant either personally, BY FAX, BY EMAIL, or by mail, postmarked OR SENT no later than the last day specified herein for such reply.

4. The Union may initiate the grievance at this step of the grievance procedure. A Union grievance is one in which a right given to the Union as such is alleged to have been violated. Such grievances must be initiated within 15 calendar days of their occurrence OR WHEN THE UNION HAD KNOWLEDGE OF THE OCCURRENCE. ACCEPTABLE MEANS OF INITIATION SHALL INCLUDE IN PERSON, BY FAX, OR BY EMAIL.

C. Step 3:

1. The Union may submit a Demand for Arbitration within 15 calendar days after receipt of the City Manager's LABOR RELATIONS OFFICE response in AT Step 2, not including the day of receipt of response. ~~The parties shall select an arbitrator from the following panel on a rotating basis:~~ THEREAFTER, THE PARTIES MAY SELECT AN ARBITRATOR FROM THE PANEL OF ARBITRATORS LISTED BELOW BY ALTERNATELY STRIKING NAMES UNTIL ONE REMAINING NAME IS MUTUALLY AGREED UPON; OR, EITHER PARTY MAY STRIKE THE REMAINING NAME AND FILE A DEMAND FOR ARBITRATION USING THE SERVICES OF AAA.

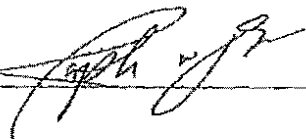
Marlo Chlesa
Deborah M. Brodsky
Robert McCormick
Theodore St. Antoine
Benjamin Wolkinson

2. After a demand for arbitration has been received, the parties shall meet in no less than 45 days prior to the grievance arbitration date and attempt MAY MUTUALLY ELECT to resolve the grievance.
3. The arbitration shall be conducted in accordance with the rules of the American Arbitration Association. The power of the arbitrator shall be limited to the interpretation and application of the terms of this Agreement and the arbitrator shall have no power to alter, add to, subtract from or otherwise modify the terms of this Agreement as written. Decisions on grievances within the jurisdiction of the arbitrator shall be final and binding on the employee or employees, the Union, and Management.
4. The fee and expenses of the arbitrator shall be paid by the Union if the grievance is denied and by the employer if the grievance is granted or as the arbitrator directs otherwise. Each party shall fully bear its costs regarding witnesses and any other persons it requires or requests to attend the arbitration. IF UTILIZED THE FEES FOR THE AAA SERVICES SHALL BE PAID BY THE PARTY ELECTING TO STRIKE THE REMAINING NAME

OF A PANEL ARBITRATOR, UNLESS MUTUALLY AGREED
OTHERWISE.

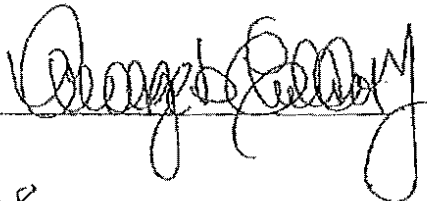
5. It is specifically and expressly understood and agreed that submission of a grievance to arbitration constitutes a waiver of any and all rights by the appealing party and all persons it represents to litigate or otherwise contest the appealed subject matter in any court or other forum.

IAFF Local 366:



Date: 02-07-08

City of Grand Rapids:



Date:

2/7/08

Article B99

IAFF L-366 PROPOSAL #10

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ARTICLE 12. PROMOTION AND VOLUNTARY DEMOTIONS

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SECTION 3. ANNUAL EXAMINATIONS

- A. There will be annual promotional examinations for the ranks of Fire Lieutenant, Fire Captain, BATTALION FIRE CHIEF, and Fire Equipment Operator. Those employees passing these examinations will be added to the eligible lists. The remaining ranks will be tested on an as-needed basis.

On or about October 31st of each year, the Human Resources Department shall provide an announcement indicating the month of the upcoming scheduled examinations as well as the expected schedule for the Civil Service examination process for the classifications of Fire Captain, Fire Lieutenant, BATTALION FIRE CHIEF, and Fire Equipment Operator.

All test dates set by the Human Resources Department shall be final. Exceptions may be granted on a case-by-case basis after the Human Resources Department, the Fire Chief, and the Union meet and confer. Vacation scheduling shall not be considered to be a basis to grant an exception.

IAFF #30

IAFF PROPOSAL #11

ARTICLE 15. OVERTIME

SECTION 3. QUALIFYING FOR OVERTIME

- A. Overtime shall consist of authorized work in excess of regular number of hours in any scheduled work shift or any work week. Overtime of less than 20 minutes in any work day shall not be included in determining the total number of hours worked. Thereafter, overtime shall be computed to the nearest $\frac{1}{2}$ hour.
- B. All overtime shall be authorized by a responsible supervisor.
- C. It is agreed that members of the bargaining unit shall be allowed time as authorized by their supervisor to clean and stow their personal effects ~~& (rubber goods)~~ following their return from a fire which they have been relieved on site. It is further understood that the provisions of Article 15, Section 3A shall apply in calculating the compensation for such time but in no event shall the time exceed 30 minutes and no such time shall be allowed for personal hygiene purposes. Upon returning from a medical alarm where services were provided, employees will have up to 30 minutes upon returning to their station for cleaning and decontamination. It is agreed that this determination will be left to the discretion of the supervisor.

I.A.F.F. LOCAL 366

DATE: 02-07-08

CITY OF GRAND RAPIDS

DATE: 2/7/08

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CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
May 22, 2008

ARTICLE 18. PAY CHANGES

SECTION 1. PURPOSE

The following provisions shall govern the assignment of pay steps to employees of the City WITHIN THE BARGAINING UNIT.

IAFF L-366 PROPOSAL # 15

TRID ON
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ARTICLE 20. VACATIONS

SECTION 3. 24 HOUR EMPLOYEES

Vacation allowance for employees who work a 24 hour work day.

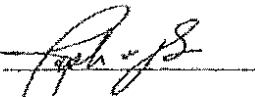
E. Fire suppression employees shall be allowed to maintain a maximum of 20 days of vacation from one fiscal year to another. Any earned vacation in excess of 20 days shall be considered void with the exception of a balance of up to 32 days between the period of January 1 and November 30.

SECTION 2. EIGHT HOUR EMPLOYEES

Vacation allowance for employees, other than dispatchers, who do not work a 24 hour work day.

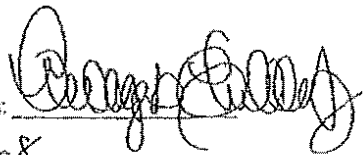
D. An employee shall be allowed to maintain a maximum of 40 days of vacation from one fiscal year to another. Any earned vacation in excess of 40 days shall be considered void with the exception of a balance of up to 68 days between the period of January 1 and November 30.

IA.F.F. Local 366:



Date: 01-11-08

City of Grand Rapids:



Date: 1/11/08

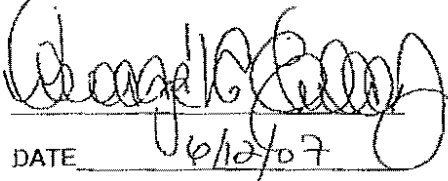
ADDENDUM TO SUPPLEMENTAL AGREEMENT
Maximum Vacation Balance (Eight Hour and Twenty-Four Hour Employees)

On July 31, 2006, the parties entered into a supplemental agreement to provide for an alternative date at which accrued vacation maximums of up to 68 days for 8 hour employees and 32 days for 24 hour employees are contractually lowered to no more than 40 days for 8 hour employees and 20 days for 24 hour employees (see attached).

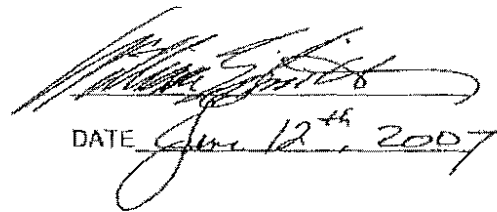
The provisions of that agreement were to remain in effect through the duration of the current agreement which expires on June 30, 2007, unless extended by mutual agreement during the negotiations for a successor agreement.

This addendum provides for an extension to the duration of the supplemental agreement until the time that a successor agreement has been reached by the parties and approved by City Commission.

CITY OF GRAND RAPIDS


DATE 6/12/07

IAFF LOCAL 366


DATE June 12th, 2007

SUPPLEMENTAL AGREEMENT
Maximum Vacation Balance (Eight Hour and Twenty-Four Hour Employees)

In order to provide for an alternative date at which accrued vacation maximums of up to sixty-eight (68) days for eight hour employees and thirty-two (32) days for twenty-four hour employees are contractually lowered to no more forty (40) days for eight hour employees and twenty (20) days for twenty-four hour employees, the parties mutually agree and stipulate to the following amended provisions for Article 20-Vacations and terms for implementation:

1. The provisions of Article 20, Section 2(D) shall be amended to read:

An employee shall be allowed to maintain a maximum of 40 days of vacation from one fiscal year to another. Any earned vacation in excess of 40 days shall be considered void with the exception of a balance of 68 days between the period of January 1 and November 30.

2. The provisions of Article 20, Section 3(E) shall be amended to read:

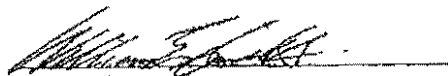
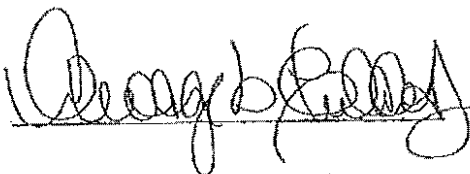
Fire suppression employees shall be allowed to maintain a maximum of 20 days of vacation from one fiscal year to another. Any earned vacation in excess of 20 days shall be considered void with the exception of a balance of 32 days between the period of January 1 and November 30.

3. The amendments to the above provisions shall remain in effect through the duration of the current Agreement which will expire on June 30, 2007, unless extended by mutual agreement during the negotiations for a successor Agreement or as the parties may mutually agree otherwise.

4. Except as expressly provided above all other terms and conditions of employment shall remain in full force and effect.

FOR THE CITY OF GRAND RAPIDS

FOR THE IAFF, LOCAL 366



DATE: 7/31/06

DATE: July 31st, 2006

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05-22-08
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CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
May 22, 2008

ARTICLE 20. VACATIONS

SECTION 4. DISPATCHERS

- ~~A. Employees assigned to the Dispatcher 12 hour schedule shall have their vacation converted to hours, rather than days (i.e. 1 week equals 40 hours, etc.).~~
- ~~B. Dispatchers shall be allowed to maintain a maximum of 320 hours of vacation from one fiscal year to another. Any earned vacation in excess of 320 hours shall be considered void with the exception of a balance of 544 hours between the period of January 1 and July 31.~~

SECTION 5. DRAW AND OTHER PROCEDURES

D. Vacation Draw Procedure for Fire Dispatchers

- ~~1. Definitions~~
- ~~a. Prime Period: The months of June, July, August, and any period that includes Christmas.~~
- ~~b. Half Period: Two connecting work days OR two connecting work nights.~~
- ~~c. Single Period: A two work day, two work night cycle.~~
- ~~d. Double Period: Two consecutive single periods.~~
- ~~e. Unit: Any period of vacation that runs in consecutive work shifts.~~
- ~~f. Effective January 1, 1997, the definitions above for Fire Dispatchers shall be changed to be:~~
- ~~(1) Prime Period: The months of June, July, August, and any period that includes Christmas.~~
- ~~(2) Half Period: Either the first two or last two days/nights of a single period.~~
- ~~(3) Single Period: A four work day or four work night cycle.~~
- ~~(4) Double Period: Two consecutive single periods.~~

~~(5) Unit: Any period of vacation that runs in consecutive work shifts.~~

- ~~2. The vacation draw will be conducted by seniority between the permanent Fire Dispatchers and will be completed in three rounds of draws. The splitting of periods into half periods is allowed. Electing to draw a half period is considered to be the same as drawing a single period for purposes of the draw.~~
- ~~3. On the first round of the draw a person may:
 - ~~a. Draw any available double period during prime time. If this option is used, only a single period can be drawn on the second round of the draw with any remaining credits drawn on the third round of the draw.~~
 - ~~b. Draw any available single period during prime time and any single period outside of prime time. If this option is used, all remaining credits can be drawn on the second round of the draw.~~
 - ~~c. Draw full vacation credits outside of prime time. These can be drawn in consecutive periods or split into two, but not more than three separate units.~~~~
- ~~4. The manner and sequence of the second and third rounds of the draw will depend upon how the individual chooses to make his/her first draw.~~
- ~~5. When it is the turn for the next Dispatcher to draw, he/she will be given two work days to make his/her draw. If he/she does not make his/her choice within the two work days, he/she will be bypassed and the draw will continue with the next person.~~
- ~~6. To change drawn vacation, comp time, or to schedule leftover vacation days will require a minimum two weeks notification to the swing person. These changes will be granted with due regard for seniority unless mutually agreed otherwise by the parties.~~
- ~~7. Dispatchers shall have the right to draw two 1/4 vacation periods at any time during the year.~~
- ~~8. If requested prior to the publication of the upcoming schedule, dispatchers shall have the additional ability to make selections to periods not closed by the draw by being granted unlimited quarter periods defined as one day draws if the days are available. These selections will be granted on a first come, first serve basis without regard to seniority.~~

TAID on
1/11/08

IAFF L-366 PROPOSAL # 20

ARTICLE 22. SICK LEAVE

SECTION 1. DEFINITIONS

- A. An employee shall accumulate 1 day of sick leave for each calendar month of service in which the employee works $\frac{1}{2}$ or more of all regularly scheduled days.

I.A.F.F. Local 366:

Date: 01-11-08

City of Grand Rapids:

Date: 1/11/08

TA'd 05-22-08
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ARTICLE 23. SICK LEAVE

SECTION 6. SUBSTANTIATION

An employee shall substantiate the use of sick leave by such reasonable means as the Fire Chief may require. Falsification of any sick leave affidavit or fraudulent use of sick leave shall be grounds for disciplinary action up to and including discharge.

SECTION 6. SUBSTANTIATION

- A. A 50.4 employee shall be entitled up to three (3) occurrences per calendar year of unsubstantiated sick leave; a 40 hour employee shall be entitled to six(6) occurrences per calendar year of unsubstantiated Sick Leave.
- B. An employee shall substantiate any Sick Leave usage beyond the above stated limits of unsubstantiated uses by one of the following means:
1. Personal knowledge or observation of supervisor not to exceed 10 calendar days.
 2. Prescription including date of issue on or about date of sick leave usage.
 3. Note from physician containing date and person was unable to work. Exception is if the person cannot get into the physicians office and is issued a statement to that effect.
 4. Letter from physician stating an ongoing condition, which shall be substantiation for occurrences of relevant sick leave usage for up to 1 year from date of issue.
- C. Fraudulent use of sick leave may be investigated by the Labor Relations office.

GRIEVANCE RESOLUTION
IAFF #11-07 – UNION INITIATED/SICK LEAVE SUBSTANTIATION

In order to provide for resolution of the above referenced grievance matter, the parties agree and stipulate to the following terms and conditions:

1. This grievance deal with the Issue of whether or not an officer's observation served as appropriate sick leave substantiation in March and April of 2007. Under the provisions of the labor agreement in effect at that time (7/1/03 – 6/30/07), Section 6 of Article 22-Sick Leave stated, "An employee shall substantiate the use of sick leave by such reasonable means as the Fire Chief may require. Falsification of any sick leave affidavit or fraudulent use of sick leave shall be grounds for disciplinary action up to and including discharge."
2. During negotiations for a successor labor agreement, this topic was discussed and the parties reached a tentative agreement on May 22, 2008, to revise the language in Section 6 of Article 22 as follows:

"SECTION 6. SUBSTANTIATION


- A. A 50.4 hour employee shall be entitled up to three (3) occurrences per calendar year of unsubstantiated sick leave; a 40 hour employee shall be entitled to six (6) occurrences per calendar year of unsubstantiated sick leave.
- B. An employee shall substantiate any sick leave usage beyond the above stated limits of unsubstantiated uses by one of the following means:
 1. Personal knowledge or observation of supervisor not to exceed 10 calendar days.
 2. Prescription including date of issue on or about date of sick leave usage.
 3. Note from physician containing date and that the person was unable to work. Exception is if the person cannot get into the physician's office and is issued a statement to that effect.
 4. Letter from physician stating an ongoing condition, which shall be substantiation for occurrences of relevant sick leave usage for up to 1 year from date of issue.
- C. Fraudulent use of sick leave may be investigated by the Labor Relations office.

This language as contained in the signed tentative agreement will be effective retroactively to March of 2007.

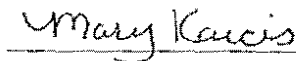
3. The above provides full and complete resolution to all matters raised in the above referenced grievance.

CITY OF GRAND RAPIDS

IAFF LOCAL 366



DATE Oct. 20, 2008



DATE 10-20-08

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CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
May 22, 2008

ARTICLE 42. WORK WEEK AND WORK DAY

SECTION 3. DISPATCHER 12-HOUR SHIFTS

The 12 hour shift for Dispatchers shall be established in the following manner:

- A. ~~There shall be two shifts, a first shift and a second shift. The first shift shall start at 0600 hours and the second shift shall start at 1800 hours.~~
- B. ~~An employee shall work two days on the day shift, two nights on the night shift followed by four periods off.~~
- C. ~~The schedule for Dispatchers shall be comprised of the following hours:~~

	SUN	MON	TUES	WED	THUR	FRI	SAT
1st week	6-18	6-18	18-6	18-6	off	off	off
2nd week	off	6-18	6-18	18-6	18-6	off	off
3rd week	off	off	6-18	6-18	18-6	18-6	off
4th week	off	off	off	6-18	6-18	18-6	18-6
5th week	off	off	off	off	6-18	6-18	18-6
6th week	18-6	off	off	off	off	6-18	6-18
7th week	18-6	18-6	off	off	off	off	6-18
8th week	6-18	18-6	18-6	off	off	off	off

IAFF L-366 PROPOSAL #140

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ARTICLE 49. PHYSICAL FITNESS PROGRAM

SECTION 1. PURPOSE

It is the mutual intent of the parties to develop a mandatory physical fitness program to facilitate and promote the overall efficiency of departmental personnel. Consequently the parties agree to the following program principles:

- A. All members of the bargaining unit shall participate in a supervised, structured physical exercise workout of at least 30 minutes per on-duty day. Such exercise period shall be scheduled during the course of the active duty day (0745-1600 hours).
- B. The department shall engage the services of a physical fitness specialist to assist in the development of the exercise program and to provide professional advice and consultation regarding the implementation of the program.
- C. The program shall incorporate the concept of appropriate medical evaluation regarding the suitability of the exercise program as individual medical circumstances dictate.
- D. ~~Company officers shall be responsible for recording and reporting completion of exercise cycles of personnel under their supervision.~~ EMPLOYEES ARE RESPONSIBLE FOR COMPLETION OF THE EXERCISE PROGRAM DESCRIBED IN SUBSECTION A.
- E. The City will ensure that each of the stations will have access to appropriate exercise equipment as determined necessary for the success of the exercise program based upon the recommendation of the physical fitness specialist and concurrence of the Fire Chief.

IAFF #40

KrcD 02-02-08

10:17 AM TA

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
February 7, 2008

ARTICLE 52. CONTRACTUAL AMENDMENTS AND EFFECTIVE DATES

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SECTION 9. MEMORANDUM OF UNDERSTANDING - ALTERNATIVE WORK SCHEDULES

In order to provide a trial period for implementation of alternative work schedules at the Fire Department for members of the International Association of Fire Fighters (IAFF), Local 366, who work 40-hour work weeks, the parties have agreed and stipulate to the following:

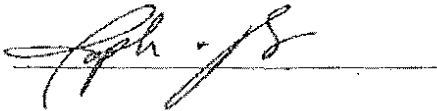
- A. Alternative scheduling is intended to allow employees some limited flexibility in their work schedules on a monthly basis while still providing coverage of the needs of service. Alternative scheduling will generally be available on a month-by-month basis to regular full-time employees whose regular work week consists of 40 hours. Such alternative schedules shall be as scheduled and approved by the Deputy Fire Chief at least 1 month in advance. Employees shall have the option of choosing whether or not to participate in alternative scheduling. Approval of which employees will be allowed to participate shall be at the sole discretion of the Fire Chief.
- B. Employees opting to participate in alternative scheduling shall provide written notice to the Deputy Fire Chief by the 20th day of the month preceding any month where an alternative schedule is to be developed.
- C. Once a work schedule for a given month is established and approved, the alternative schedule shall be honored by management barring unusual circumstances.
- D. Alternative scheduling shall consist of four 10-hour work days with the shift starting time of 0700 hours and shift ending time of 1800 hours, excluding a one-hour unpaid lunch. Work day schedules shall consist of a pattern of working Monday through Thursday one week and then Tuesday through Friday the following week.
- E. Employees working alternative schedules shall be required to utilize sick leave and vacation on an hourly basis with accruals being understood to be one day equals eight hours. Where reference is made in the Agreement to "days", "weeks", "workdays", "work weeks", and the like, such terms shall for those employees assigned to alternative schedules be interpreted and applied in a manner consistent with the basic understanding that alternative scheduling will not increase the City's labor costs.

F. For work weeks in which a holiday is observed, the employee can elect either to work four 8-hour days and be credited with 8 hours holiday pay (as provided in Article 21, Section 2(a)) or work three 10-hour days and carry 2 hours vacation to be added to the 8 hours holiday pay in order to obtain 40 hours pay in that work week.

The trial period shall commence on November 1, 1997, and shall last through October 31, 1998. Either party may terminate the trial period by providing 30-day notice in writing. The trial period may be terminated by mutual agreement at any time.

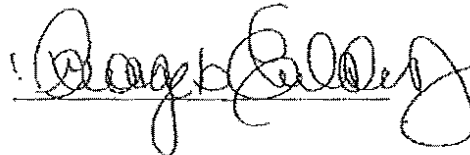
Note: Parties agree to re-number Sections following Section 9 accordingly.

IAFF Local 366:



Date: 02-07-08

City of Grand Rapids:



Date: 2/7/08

Article 62 10

IAFF L-366 PROPOSAL # 50

ARTICLE 52. CONTRACTUAL AMENDMENTS AND EFFECTIVE DATES

SECTION 13. LETTER OF UNDERSTANDING - FLOAT SHIFT

The float shift will exist as a letter of understanding until the annual duty draw is carried out and implemented in 2005 under the provisions of Article 14 Work Assignment, Section 2. The parties may agree to continue this letter of understanding beyond the annual duty draw in 2005. If the parties agree to continue the float shift program beyond the annual duty draw of 2005, either party may cancel the terms of this letter of understanding with ninety (90) days notice.

I.A.F.F. Local 366:

Date:

01-16-08

01-16-08-700

City of Grand Rapids:

Date:

1/16/08

TA'D
05-22-08
L-366
GHP

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
May 22, 2008

APPENDIX A

CLASSIFICATION TITLE TABLE

Hazardous Materials Planner	198
Fire Captain - Prevention	200
Fire Fighter	201
Fire Equipment Operator	202
Fire Lieutenant	203
Fire Captain	204
Battalion Fire Chief	205
Deputy Fire Chief	206
Fire Training Supervisor	207
Assistant Fire Training Supervisor	208
Fire Investigator	209
Fire Prevention Inspector	210
Fire Marshal	211
Chief Fire Alarm Operator	212
Fire Alarm Operator	213
Fire Captain - Building Maintenance	214
Fire Maintenance Electrician	215
Fire Captain - Fleet Maintenance	220
Assistant Fleet Maintenance Supervisor	463
Emergency Medical Services Coordinator	807

**SUPPLEMENTAL AGREEMENT
BATTALION CHIEF - ADDITIONAL COMPENSATION FOR DAILY STAFFING
DUTIES & PROCEDURE MODIFICATION**

In accordance with Article 32-Supplemental Agreements, Section 1, the parties mutually agree and stipulate to the following terms and conditions in order to provide additional compensation to Battalion Chiefs for duties performed during limited duty hours to determine daily staffing and to modify the procedure:

1. One (1) additional hour of pay at the Battalion Chief regular rate shall be provided to the South Battalion Chief (or other voluntarily trained personnel as provided in item #3 below) when the duties of determining daily staffing are carried out during the twenty-four (24) hour shift. If the South Battalion Chief (or other voluntarily trained personnel as provided in item #3 below) is not available to perform these duties during the full twenty-four (24) hour shift, they shall revert to a Deputy Chief and/or the Fire Chief. In such case where the duties of determining daily staffing are performed by a Deputy Chief and/or the Fire Chief, no additional compensation shall be provided.
2. It is expected that the duties of determining daily staffing will be required during limited duty hours between approximately 20:00 - 22:00 and again between approximately 05:00 - 07:00.
3. Training shall be provided to the South Battalion Chiefs and on a voluntary basis to North Battalion Chiefs and any non-probationary Fire Captain.
4. This supplemental agreement shall be in effect for a one (1) year trial period between February 1, 2008 and January 31, 2009 unless mutually agreed otherwise by the parties.
5. Neither party shall use this supplemental agreement to assert that the other must again agree to provide such supplemental compensation in any future similar or dissimilar case.
6. During the period of time this supplemental agreement is in effect, the provisions of Article 44-~~Acting Assignment~~, Section 2(B) shall be modified as follows:

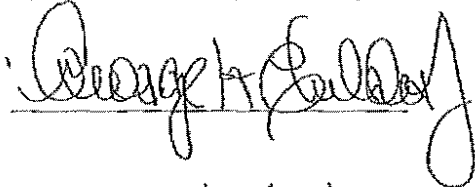
Daily callback and short term acting assignments will be based on the Telestaff Roster as of 20:00 of the preceding day. In preparing for the next day, a determination will first be made to see if overtime is necessary and what rank(s) will be called back. If it is determined that call backs are necessary for the following days staffing, calls will be made during the 20:00-22:00 period or after 0500 the next morning. Earlier attempts for call back may be made before the 20:00 - 22:00 period provided such early call back attempt is stopped at the point where the phone calls fail to make direct contact with the employee. In such case the call backs shall resume at approximately 20:00 at the point where they had been stopped. The intent of the above staffing process is to have assignments finalized sufficiently in advance of the 07:00 reporting time to allow suppression personnel knowledge of where they are required to report for work in the event their station and/or machine assignment is different from their drawn position.

7. During the period of time this supplemental agreement is in effect, the provisions of Article 44-Acting Assignment, Section 2(C) shall be modified as follows:

Any staffing changes reported after 20:00 will be dealt with separately. The new staffing information will not change the assignments and callbacks already determined during the 20:00 to 07:00 hours preparation time with the exception of rated personnel who are returning to duty. In this instance, acting assignment personnel will be returned to their regular assignment(s).

8. Except as expressly provided above, all other terms and conditions of employment as provided by the collective bargaining Agreement shall remain in full force and effect.

FOR THE CITY OF GRAND RAPIDS



DATE: 2/7/08

FOR THE IAFF, LOCAL 366



DATE: 02-07-08

JF Ex 2

STATE OF MICHIGAN
DEPARTMENT OF CONSUMER & INDUSTRY SERVICES
Employment Relations Commission
Labor Relations Division

CITY OF GRAND RAPIDS

Employer,

Case No. L07 D-7010
Michael P. Long
Act 312 Chairperson

and

GRAND RAPIDS FIRE FIGHTERS
ASSOCIATION, IAFF LOCAL 366

Labor Organization.


SUMMARY OF TENTATIVE AGREEMENTS REACHED AS OF DECEMBER 18, 2009

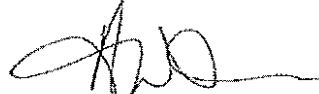
The City of Grand Rapids and the Grand Rapids Fire Fighters Association, IAFF Local 366 stipulate and agree that following attached matters have been resolved by the parties:

- ~~A. Summary of Tentative Agreements between the City of Grand Rapids and IAFF Local 366 including Partial Settlement and Pension Ordinance Change~~
- ~~B. Tentative Agreement on Article 13 (12-9-2009)~~
- ~~C. Tentative Agreement on Article 25 (12-9-2009)~~
- ~~D. Tentative Agreement on Article 52 (12-09-2009 and 12-15-2009)~~

The agreements on these matters will be included in the collective bargaining agreement upon the issuance of the Act 312 Award in this matter.

Dated: December 18, 2009


John H. Gretzinger (P28979)
Attorney for the City of Grand Rapids

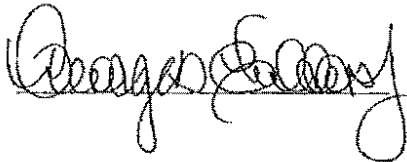

Alison L. Paton (P34803)
Attorney for the Grand Rapids Fire
Fighters Association, IAFF Local 366

**SUPPLEMENTAL AGREEMENT
BREAKING TIES IN RANK SENIORITY FOR PURPOSES OF LAYOFF**

In accordance with Article 32-Supplemental Agreements, Section 1, the parties mutually agree and stipulate to the following terms and conditions in order to provide for a means of breaking ties in relative rank seniority under the provisions of Article 13-Layoff and Recall, Section 2 and/or Section 6:

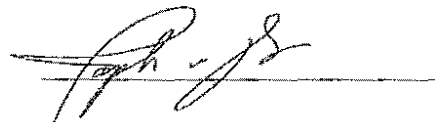
1. In the event permanent or probationary employees are tied in RANK seniority for purposes of layoff and/or recall due to the fact of being promoted or laterally transferred to a classification other than Fire Fighter on the same date, the first tie breaker in relative RANK seniority shall be the entering service date (date of original hire without a break in continuous service). If seniority still remains tied, then relative seniority shall be determined by the relative score on the Civil Service examination for Fire Fighter.
2. Except as expressly provided above, all other terms and conditions of employment as provided by the collective bargaining Agreement shall remain in full force and effect.

FOR THE CITY OF GRAND RAPIDS



DATE: 11/18/09

FOR THE IAFF, LOCAL 366



DATE: 11-18-09

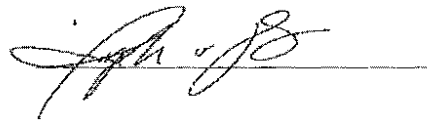
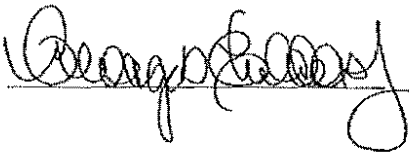
**SUPPLEMENTAL AGREEMENT
EXCEPTION FOR 2009 LAYOFFS – PREFERRED ELIGIBLE LIST**

In accordance with Article 32-Supplemental Agreements, Section 1, the parties mutually agree and stipulate to the following terms and conditions in order to provide for a deviation to the provisions of Article 13-Layoff and Recall, Section 6B:

1. In light of the layoffs projected take place effective December 31, 2009, the provisions of Article 13, Section 6B are amended to provide a minimum of five (5) years versus the contractually based two (2) years for names remaining on the preferred eligible list due to this anticipated layoff result. It is expressly understood that this amendment by the parties shall not apply, unless mutually agreed otherwise, to any prior or any subsequent layoffs involving the IAFF, Local 366 bargaining unit.
2. Except as expressly provided above, all other terms and conditions of employment as provided by the collective bargaining Agreement shall remain in full force and effect.

FOR THE CITY OF GRAND RAPIDS

FOR THE IAFF, LOCAL 366



DATE: 11/18/09

DATE: 11-18-09

CITY OF GRAND RAPIDS and IAFF, LOCAL 366 - December 4, 2009

TENTATIVE AGREEMENTS BETWEEN THE PARTIES
To Be Attached to the Act 312 Arbitration Opinion and Award

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ARTICLE 52. CONTRACTUAL AMENDMENTS AND EFFECTIVE DATES

...
SECTION 18 (New). Retirement Incentive

Employees who retire on or before December 31, 2009 shall be provided with an incentive as follows:

- A. The minimum service retirement age of fifty-five (55) and the table of actuarial equivalent percentages as provided under Section 1.249 of the City of Grand Rapids Police and Fire Retirement System shall be waived, provided the employee is at least fifty-two (52) years of age and has achieved ten (10) or more years of credited service as of December 31, 2009.
- B. A pension multiplier of 2.8% with the applicable cap (94.5% if hired prior to July 1, 1992; 90.0% if hired on or after July 1, 1992) shall be applied in calculating the employee's allowance under the provisions of Section 1.246.
- C. The actuarial cost of the retirement incentive shall be estimated by the systems actuary, and the employee contribution rate (currently to be kept at 3.20% for the fiscal years of 2010, 2011, 2012, and 2013 under a supplemental agreement dated April 22, 2009) shall be raised to 4.20% (a raise of 1% which equates to an estimated \$180,000 increased contribution annually) for a period of three (3) years from the date this retirement incentive is enacted, or until the actuarial estimated cost of the retirement incentive has been fully paid by such increase in the employee contribution rate, whichever occurs first.
- D. Retiree health care benefits for those employees who elect to utilize the retirement incentive, as provided within this Section, shall be at the level provided to active employees at the time he/she enters retirement, unless otherwise modified by the 312 Arbitration Opinion and Award.

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12-15-09
[Signature]
12-15-09

CITY OF GRAND RAPIDS AND IAFF LOCAL 366
DECEMBER 15, 2009

TENTATIVE AGREEMENT BETWEEN THE PARTIES
To Be Attached to the Act 312 Arbitration Opinion and Award

ARTICLE 52. CONTRACTUAL AMENDMENTS AND EFFECTIVE DATES

This tentative agreement serves as a clarification to the tentative agreement signed on December 9, 2009 for Item D, Section 18 of Article 52.

The parties agree that any individuals who utilize the early retirement option which expires on December 31, 2009, shall not be subject to any premium sharing of any changes in retirement healthcare floating with active members regardless of any Act 312 decision.

Benefits will be consistent with any other retirees who have separated during this contract negotiation process, but prior to receipt of the Act 312 award.

CITY OF GRAND RAPIDS and IAFF, LOCAL 366 - December 4, 2009

TENTATIVE AGREEMENTS BETWEEN THE PARTIES
To Be Attached to the Act 312 Arbitration Opinion and Award

ARTICLE 52. CONTRACTUAL AMENDMENTS AND EFFECTIVE DATES

...
SECTION 19 (New). Increase in the Pension Multiplier

- A. Effective July 1, 2012, the pension multiplier, as provided in this Article under Section 2(H), shall be raised from 2.7% to 2.8%.
- B. The actuarially estimated cost of this benefit improvement (using a thirty [30] year amortization of such cost) is 1.01%. That cost shall be shared by the bargaining unit members by increasing the employee contribution rate by one-half of one (1) percent (.5%) effective July 1, 2012. The rate of 4.20% (if still applicable under Section 18 above of this Article) shall thereafter be reduced to 3.70%; or, if the rate has already been reduced to 3.20% under the provisions of Section 18 above, the employee contribution rate shall be raised to 3.70%. Effective in fiscal year 2014 the employee contribution rate shall be as provided in the pension ordinance amendments herein utilizing the applicable table which provide the applicable employee contribution percentage based upon the pension funding level percentage.
- C. The parties agree that the issue of the cost and effective date of the 2.8% multiplier increase, and provided herein, shall not be the subject of further negotiations for the subsequent collective bargaining Agreement covering a period of July 1, 2010 through the negotiated effective ending date of such Agreement, nor shall either party have the right to submit such an issue to binding interest arbitration through Public Act 312 of 1969 (MCLA 423.231 through 423.247) for that same contract period.

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ARTICLE 25. INSURANCE & HOSPITALIZATION

SECTION 1. HOSPITALIZATION

...

- B. ~~Beginning July 1, 1986,~~ The City will pay the medical and hospitalization insurance premiums, LESS ANY APPLICABLE PREMIUM SHARING AMOUNT, for an employee who is disabled pursuant to the provisions of the Pension Ordinance until such time as the employee is eligible for Medicare, or reaches age 65, whichever occurs first. The City will also pay the premiums for the disabled employee's spouse and QUALIFIED dependents. IF THE RETIREE AND SPOUSE AT THE TIME OF RETIREMENT SHOULD HAVE FURTHER CHILDREN AFTER RETIREMENT, SUCH CHILDREN BY BIRTH OR LEGAL ADOPTION SHALL BE CONSIDERED QUALIFIED DEPENDENTS FOR THE FIRST TWO (2) OF SUCH BIRTHS AND/OR ADOPTIONS ONLY. NO FURTHER QUALIFIED DEPENDENTS MAY BE ADDED DUE TO BIRTH OR LEGAL ADOPTION AFTER THE RETIREE REACHES AGE FIFTY (50).

FOR NON-RHSA COVERED EMPLOYEES, THIS BENEFIT SHALL APPLY TO BOTH DUTY AND NON-DUTY RELATED DISABILITY RETIREMENTS.

FOR RHSA COVERED EMPLOYEES, THIS BENEFIT SHALL APPLY ONLY TO DUTY RELATED DISABILITY RETIREMENTS. IN ADDITION, FOR RHSA COVERED EMPLOYEES, PREMIUMS SHALL BE FIRST PAID TO THE CITY FROM FUNDS IN THE EMPLOYEE'S RHSA ACCOUNT IF THE EMPLOYEE WISHES TO CONTINUE MEDICAL AND HOSPITALIZATION COVERAGE UNDER THE CITY'S PLAN AT THE TIME THE DUTY DISABILITY RETIREMENT BECOMES EFFECTIVE. IN SUCH CASE WHEN RHSA FUNDS ARE EXHAUSTED, THE CITY SHALL RESUME PAYING THE PREMIUMS, LESS ANY APPLICABLE PREMIUM SHARING AMOUNTS, UNTIL SUCH TIME AS THE EMPLOYEE IS ELIGIBLE FOR MEDICARE, OR REACHES AGE 65, WHICHEVER OCCURS FIRST.

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ARTICLE 25. INSURANCE & HOSPITALIZATION

SECTION 1. HOSPITALIZATION

...

C. It is agreed that Management will pay ~~the hospitalization insurance premium~~ PROVIDE HEALTH CARE COVERAGE for the retirees, their spouse and dependents for those years of age of the retiree between 55 and 64 inclusive. In the event the retiree dies after retirement between the ages of 55 and 64 inclusive, the spouse and dependents, if any, will continue to have ~~the hospitalization insurance premium paid~~ BE PROVIDED HEALTH CARE COVERAGE by Management until such time as the retiree would have reached age 65. Spouse is understood to be that person to whom the retiree is married at time of retirement. ~~For employees who retire during the period of the contract covering July 1, 2003 through June 30, 2007, vesting in health insurance benefits shall be at the levels negotiated for that contract period.~~

1. FOR THOSE EMPLOYEES COVERED BY THE RHSA, THE CITY WILL NOT BE REQUIRED TO PAY ANY AMOUNT TOWARD THE PREMIUMS AFTER RETIREMENT OR OTHER FORM OF SEPARATION FROM EMPLOYMENT, EXCEPT AS OTHERWISE PROVIDED IN SECTION 1(B) AND (D) OF ~~ARTICLE 25~~ THIS ARTICLE.
2. FOR THOSE EMPLOYEES NOT COVERED BY THE RHSA, IN ADDITION TO SECTION 1(B) AND 1(D) ABOVE IN THIS ARTICLE:
 - a) THE CITY WILL PAY THE FULL PREMIUM (LESS ANY APPLICABLE PREMIUM SHARING AMOUNT) FOR THE RETIREE, THE SPOUSE, AND DEPENDENTS, IF ANY, IN ANY OF THE FOLLOWING CIRCUMSTANCES PROVIDED THE EMPLOYEE HAS AT LEAST TEN (10) YEARS OF CREDITED SERVICE:
 - 1) WHERE THE EMPLOYEE HAS REACHED THE MAXIMUM APPLICABLE CAP (THE PRODUCT OF THE MULTIPLIER TIMES YEARS OF CREDITED SERVICE) AS PROVIDED IN ARTICLE 52, SECTION 2(H)(3);
 - 2) WHERE THE EMPLOYEE HAS REACHED AGE 55.
 - b) IN ALL OTHER CIRCUMSTANCES, THE CITY WILL PAY THE EARNED PERCENTAGE OF THE EMPLOYER PREMIUM IN ACCORDANCE WITH THE FOLLOWING (LESS ANY APPLICABLE PREMIUM SHARING AMOUNT):

10 YEARS OF SERVICE - 40.0% 18 YEARS OF SERVICE - 72.0%

11 YEARS OF SERVICE - 44.0%	19 YEARS OF SERVICE - 76.0%
12 YEARS OF SERVICE - 48.0%	20 YEARS OF SERVICE - 80.0%
13 YEARS OF SERVICE - 52.0%	21 YEARS OF SERVICE - 84.0%
14 YEARS OF SERVICE - 56.0%	22 YEARS OF SERVICE - 88.0%
15 YEARS OF SERVICE - 60.0%	23 YEARS OF SERVICE - 92.0%
16 YEARS OF SERVICE - 64.0%	24 YEARS OF SERVICE - 96.0%
17 YEARS OF SERVICE - 68.0%	25 YEARS OF SERVICE - 100.0%

- c) IN THE EVENT THE RETIREE DOES NOT HAVE SUFFICIENT YEARS OF CREDITED SERVICE TO RECEIVE AN EMPLOYER CONTRIBUTION EQUAL TO ONE HUNDRED PERCENT (100%) OF THE EMPLOYER'S PERCENTAGE PORTION OF THE RETIREE HEALTH INSURANCE COST, THE RETIREE, OR THE ELIGIBLE SPOUSE/DEPENDENTS OF A DECEASED RETIREE, SHALL BE REQUIRED TO PAY THE REMAINDER OF THE EMPLOYER'S PERCENTAGE PORTION OF THE RETIREE HEALTH INSURANCE PREMIUM COST, IN ADDITION TO ANY APPLICABLE PREMIUM SHARING AMOUNT.
- d) FOR EMPLOYEES WHO LEAVE EMPLOYMENT AFTER COMPLETING TEN (10) OR MORE YEARS SERVICE BUT BEFORE BEING ELIGIBLE FOR AN IMMEDIATE PENSION BENEFIT, AND WHO ARE NOT COVERED BY THE RHSA, SUCH AN EMPLOYEE AND/OR SPOUSE AND DEPENDENTS SHALL NOT RECEIVE ANY RETIREE HEALTH CARE BENEFIT UNTIL THE EMPLOYEE BEGINS TO RECEIVE A PENSION BENEFIT. UPON RECEIPT OF PENSION BENEFITS, THE RETIREE HEALTH CARE BENEFIT PREMIUM PAID BY THE CITY SHALL BE IN ACCORDANCE WITH THE YEARS OF CREDITED SERVICE AND EARNED EMPLOYER PERCENTAGE UNDER THE APPLICABLE FORMULA SET FORTH IN ITEM 2(b) ABOVE LESS ANY APPLICABLE PREMIUM SHARING AMOUNT.

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ARTICLE 25. INSURANCE & HOSPITALIZATION

SECTION 1. HOSPITALIZATION

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- D. In the event a person covered by this Agreement dies prior to retirement, Management will pay the hospitalization insurance premium, LESS ANY APPLICABLE PREMIUM SHARING AMOUNT, for that person's spouse and dependents until such time as the covered person would have reached age 65. If, however, the spouse remarries or the spouse is covered by another health insurance policy, this provision shall not apply.

FOR NON-RHSA COVERED EMPLOYEES, THIS BENEFIT SHALL APPLY TO BOTH DUTY AND NON-DUTY RELATED DEATHS PRIOR TO RETIREMENT.

FOR RHSA COVERED EMPLOYEES, THIS BENEFIT SHALL APPLY ONLY TO DUTY-RELATED DEATHS PRIOR TO RETIREMENT. IN ADDITION, FOR RHSA COVERED EMPLOYEES, PREMIUMS SHALL BE FIRST PAID TO THE CITY FROM FUNDS IN THE EMPLOYEE'S RHSA ACCOUNT IF THE SURVIVING SPOUSE AND/OR ELIGIBLE DEPENDENTS WISH TO CONTINUE MEDICAL AND HOSPITALIZATION COVERAGE UNDER THE CITY'S PLAN AT THE TIME OF DEATH. IN SUCH CASE WHEN RHSA FUNDS ARE EXHAUSTED, THE CITY SHALL RESUME PAYING THE PREMIUMS, LESS ANY APPLICABLE PREMIUM SHARING AMOUNT, UNTIL SUCH TIME AS THE COVERED PERSON WOULD HAVE REACHED AGE 65.

CITY OF GRAND RAPIDS and IAFF, LOCAL 366 – December 4, 2009

TENTATIVE AGREEMENTS BETWEEN THE PARTIES
To Be Attached to the Act 312 Arbitration Opinion and Award

ARTICLE 13. LAYOFF AND RECALL

SECTION 10(NEW) ONE-FOR-ONE RECALL (LAYOFFS OF DECEMBER 2009)

DURING DISCUSSIONS CONCERNING SCHEDULED LAYOFFS IN 2009 THE PARTIES CAME TO AN UNDERSTANDING WHICH RESULTED IN A RETIREMENT INCENTIVE BEING OFFERED (SEE ARTICLE 52, SECTION 18). IN CONJUNCTION WITH THE AGREEMENT TO PROVIDE SUCH AN INCENTIVE THE CITY AGREED TO UTILIZE THE RECALL PROVISIONS OF THIS ARTICLE TO FILL VACANCIES CREATED BY EMPLOYEES WHO UTILIZED THE RETIREMENT INCENTIVE AND WHO RETIRED ON OR BEFORE DECEMBER 31, 2009.

IT IS EXPRESSLY AGREED THAT IF A POSITION VACANCY OCCURS DUE TO SUCH RETIREMENT(S), THE CITY SHALL RECALL LAID OFF EMPLOYEES ON A ONE-FOR-ONE BASIS. IF THE RETIREMENT IS WITHIN THE CLASSIFICATION OF FIRE FIGHTER, THE MOST SENIOR FIRE FIGHTER ON THE PREFERRED ELIGIBLE LIST FOR THAT CLASSIFICATION SHALL BE OFFERED RECALL. IF THE RETIREMENT OCCURS WITHIN A CLASSIFICATION/RANK ABOVE FIRE FIGHTER, IT IS EXPRESSLY AGREED THAT A PROMOTION TO THAT CLASSIFICATION/RANK VACANCY SHALL BE CARRIED OUT TO FILL THE VACANCY AND ANY SUBSEQUENT VACANCIES VIA PROMOTIONS, OR USE OF PREFERRED ELIGIBLE LISTS (IF ANY) UP TO AND INCLUDING THE CLASSIFICATION OF FIRE FIGHTER.

AS EXAMPLE – IF A FIRE CAPTAIN IN SUPPRESSION RETIRES UNDER THE TERMS OF THE RETIREMENT INCENTIVE PROVIDED IN ARTICLE 52, SECTION 18, HIS/HER VACANCY IS TO BE FILLED BY PROMOTION FIRST FROM THE PREFERRED ELIGIBLE LIST FOR THAT CLASSIFICATION OR IF NONE EXISTS FROM AN ELIGIBLE LIST FOR FIRE CAPTAIN. IF THAT PROMOTION RESULTS IN A VACANT FIRE LIEUTENANT POSITION, THAT VACANT POSITION IS TO FILLED IN THE SAME MANNER, FIRST BY PREFERRED ELIGIBLE LIST AND IF NONE BY THE ELIGIBLE LIST FOR FIRE LIEUTENANT. THIS PROCESS IS TO BE REPEATED DOWN THROUGH THE VARIOUS CLASSIFICATIONS/RANKS INVOLVED INCLUDING THE CLASSIFICATION OF FIRE FIGHTER, UNLESS THE PREFERRED ELIGIBLE LIST(S) FOR ALL CLASSIFICATIONS HAVE BEEN EXHAUSTED. IN SUCH CASE THE CITY'S OBLIGATION TO CARRY OUT A RECALL SHALL CEASE.

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Tentative agreements between the City of Grand Rapids and IAFF Local 366

Including Partial Settlement and Pension Ordinance Change

- 1-2. City of GR and IAFF L 366 Partial Settlement as Ratified
3. Agreement for Pension Ordinance Changes
4. Ordinance amending Police and Fire Retirement System
5. Art. 3 Sec 1 Removal of Picketing
6. Art. 5 Sec 1 Bargaining Members
7. Art. 7 Sec 2, B, 1&2 Steward Representation
- 8-11. Art. 8 Sec 3 Grievance Comm/Arbitrator Selection
12. Art. 12 Sec 3, A, B, C B.C. annual promotion exam
13. Art. 14 Sec 5,F,5 Limited duty hours training
14. Art 15 Sec 1 Bargaining Unit
15. Art 15 Sec 3, C Strike "Rubber Goods"
16. Art 15 Sec 3, D Strike part D
17. Art 15 Sec 5, A Fiscal changed from Calendar
18. Art. 18 Sec 1 Bargaining Unit
19. Art 19 Sec 2, H Longevity Pay
- 20-1. Art 20 Sec 2,A,B,Intro 8 hr Employee Vac. Earn Schedule
22. Art 20 Sec 2,D&3,E Vacation Carryover
- 23-4. Art 20 Sec 4&5 Strike Sections (dispatch)
- 25-6 Art 20 Sec 5,A Draw Clarification/8 to 7 on Vac
27. Art 21 Sec 1 MLK for B Day/Personal Holiday

28.	Art 21 Sec 4	Holiday pay while on W/C
29.	Art 22 Sec 1	Step Parents
30.	Art 22 Sec 2,A	S/L Accumulation
31.	Art 22 Sec 3	Doc Visits while on Duty
32.	Art 22 Sec 6	S/L Substantiation
33.	Art 22 Sec 9,D	Pay for unused S/L (Language to Follow)
34.	Art 36 Sec 2	Parking for FAO's
35.	Art 38 Sec 1,2,4	Trade Time/Leave Days
36.	Art 40 Sec 5,6/41 3	Working Agreement/Light Duty
37-8.	Art 42 Sec1,2	Strike FAO only
39.	Art 42 Sec 3	Strike
40.	Art 44 Sec 2,C	Manpower Compilation Time
41.	Art 44 Sec 3,A	E.O./Off. Certification
42.	Art 49 Sec 1	Physical Fitness Tracking
43.	Art 51 Sec 1,2,3	Contract Termination & Modification
44.	Art 52 Sec 2,G	Pension Purchase Reimbursement
45.	Art 52 Sec 2,H,4	All W-2
46.	Art 52 Sec 6	No Smoking
47-8.	Art 52 Sec 9	Strike Alternative Work Schedule
49.	Art 52 Sec 13	Strike Float Shift
50.	Art 52 new Section	Direct pay to Health Ins from Pension
51.	Appendix A	Remove FAO and Chief FAO

- | | | |
|-----|-------------|--|
| 52. | Appendix A | Fleet Maintenance/Building Maintenance |
| 53. | New Art/Sec | Mutual/Auto Aid |

IAFF Partial Settlement of Issues Pending for Act 312 Interest Arbitration

The parties mutually agree and stipulate to the following terms and conditions in order to resolve, in part, issues pending for Act 312 Interest Arbitration before the Act 312 Panel chaired by Arbitrator Michael Long:

1. Wages

Upon ratification and approval by the City Commission the wages for the period of July 1, 2007 through June 30, 2010 (the period of the three [3] year Agreement at issue in the 312 proceedings) shall be:

Effective upon ratification and approval 2.0% then 2.5% (with
compounding effect)

Effective 7-1-2009 3.0%

2. Health Care Plan Design Changes

Upon ratification and approval by the City Commission the City shall implement a 10% premium sharing for active employees and the plan design changes consistent with the GRPOA 312 Award which was signed on December 17, 2008.

3. Retiree Health Savings Accounts (RHSA)

Upon ratification and approval new hires within the bargaining unit shall be provided with an RHSA in lieu of the current retiree health care benefits with a stepped in employee and employer contribution as follows:

(1) After six (6) months of service, new hires shall make contributions at the annual rate of \$375 (\$14.42 gross per bi-weekly payroll) for six (6) months during which time the City shall make contributions at the annual rate of \$750, payable in bi-weekly pay period increments (i.e. \$28.85 gross per payroll).

(2) For the next one (1) year of service, the employee shall make contributions at the annual rate of \$750 (\$28.85 gross per bi-weekly payroll) during which time the City shall make contributions at the annual rate of \$1,500, payable in bi-weekly pay period increments (i.e. \$57.69 gross per payroll).

(3) For all years thereafter the employee shall make contributions at the annual rate of \$1,000 (\$38.46 gross per bi-weekly payroll) during which time the City shall make contributions at the annual rate of \$1,750, payable in bi-weekly pay period increments (i.e. \$67.30 gross per payroll).

It is further agreed that neither party shall be prejudiced by this interim agreement in its' position in Act 312 as to the City's current proposal for the mandatory conversion of employees with less than ten (10) years of service

to an RHSA or other City proposed changes for retiree health care benefits, and the Union's current proposal that there be no change for current employees as far as retiree health care benefits, or other Union positions on retiree health care benefits.

4. Trade of 13th Check for a Simple Non-Compounding Escalator

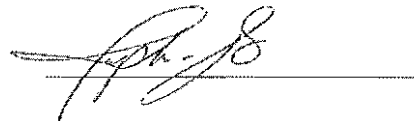
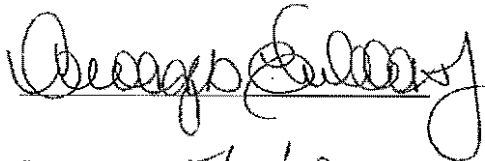
Upon ratification and approval by the City Commission the parties agree to implement for retirees retiring on or after July 1, 2007 a trade by the elimination of the 13th check (a benefit given up under Grand Rapids City Code, Chapter 7 - Pension and Retirement Benefits, Article 5 - Thirteenth Check Supplement - Police and Fire Pension System) and creation of simple non-compounding escalator at one and one-half percent (1.5%) annually, with a two (2) year wait after date of retirement (a benefit gained), commencing as of January 1st or July 1st of each calendar year falling most nearly on or after the retiree's retirement anniversary date. The parties acknowledge that this trade is considered to be cost neutral based upon the Retirement System actuary's valuation of October 19, 2007 which determined the value of 13th Check was between four percent and six percent (4% - 6%; the parties have agreed to use the value of 5% for this trade) and the value of the one and one-half percent (1.5%) simple non-compounding escalator was four and ninety-nine one hundredths percent (4.99%) using a thirty (30) year period. Retirees retiring on or after July 1, 2007 who receive the simple non-compounding escalator benefit in lieu of 13th check would be counted for purposes of determining 13th check payments for those retirees who do qualify.

It is further agreed that the use of the thirty (30) year period for this benefit exchange shall be without prejudice or precedent, and shall not be used by either party in the future to assert a practice or assert that the other must again agree to use such a period for any future similar or dissimilar benefit cost valuation.

5. The parties agree that the signed Agreement for Pension Ordinance Changes, which will be an addendum to the collective bargaining Agreement, shall not take effect until this Partial Settlement Agreement is ratified and approved by both the City and the Union.

FOR THE CITY OF GRAND RAPIDS

FOR THE IAFF, LOCAL 366



Date: 5/12/09

Date: 05/12/09

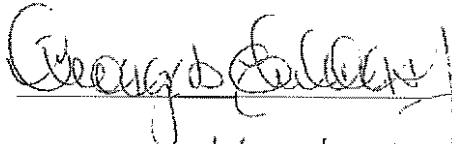
Mini Package Agreement 309 Revised

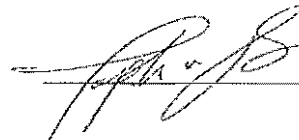
Agreement for Pension Ordinance Changes

1. The Union, by its signature below, agrees to modify the provisions of Article 45-Pension, Section 1B to "The pension plan shall have a 25 **thirty (30)** year amortization period cap"; the Union agrees to and shall not contest a change in the valuation of assets definition provisions of the Police and Retirement System Ordinance (Section 1.233[28]) from a closed two (2) year period to a closed five (5) year period (see *the exact provisions in the attached draft ordinance amendment*) for purposes of asset smoothing; and, the Union agrees to and shall not contest the adoption of the actuaries' recommendation to decouple the market and book value in the method used for annual valuations. It is understood that the City may elect to use up to a thirty (30) year amortization period for those and future valuations.
2. The City, by its signature below, agrees that in exchange for item #1 that for Fiscal years 2010, 2011, 2012, and 2013 the employee contribution rate for fire fighter members of the Police and Fire Retirement System shall not be raised to the percentage funding pension contribution rate which would otherwise be required by Article 52, Section 2-Pension Ordinance Amendments (K, 2) and shall be kept at the rate of 3.20% (which currently equates to a system funding level of above one hundred and fifteen percent [115%]) for those four (4) Fiscal years regardless of the annual valuation results.

FOR THE CITY OF GRAND RAPIDS

FOR THE IAFF, LOCAL 366


Date: 4/22/09


Date: 04-20-09

Separate Agreement on Pension Ordinance Changes

AN ORDINANCE TO AMEND SECTION 1.233(28) OF ARTICLE 2, CHAPTER 7, TITLE I OF THE CODE OF THE CITY OF GRAND RAPIDS ENTITLED "POLICE AND FIRE RETIREMENT SYSTEM"

ORDINANCE NO. 08-___

THE PEOPLE OF THE CITY OF GRAND RAPIDS DO ORDAIN:

Section 1. That Section 1.233(28) of Article 2 of Chapter 7, Title I of the Code of the City of Grand Rapids be amended to read as follows:

"(28) *Valuation Assets* means the value of the current plan assets recognized for the purpose of determining required contributions to the plan. For purposes of determining the employer's contribution requirements for its fiscal year beginning July 1, 2004, valuation assets shall be equal to the market value of System assets as of December 31, 2003. For purposes of determining the employer's contribution requirements for its fiscal year beginning July 1, 2005 through its fiscal year ending June 30, 2009 (valuation date December 31, 2007), valuation assets shall be determined using a market-related (smoothed) asset value method which recognizes projected investment income uniformly over a closed two (2) year period. For purposes of determining the employer's contribution requirements for its fiscal year beginning July 1, 2009 (valuation date December 31, 2008) and all subsequent fiscal years, valuation assets shall be determined using a market-related (smoothed) asset value method which recognizes 20% of the investment return in a fiscal year immediately, and 20% of the investment return in each of the next four subsequent fiscal years. The remaining unrealized investment return from December 31, 2007 shall be recognized equally over the next four fiscal years, beginning with the December 31, 2008 valuation."

Section 2. This Ordinance shall be effective as of December 31, 2008.

Yeas		Nays
_____	Bliss	_____
_____	Gulowski	_____
_____	Jendrasiek	_____
_____	LaGrand	_____
_____	Lumpkins	_____
_____	White	_____
_____	Mayor Heartwell	_____
Yeas: _____		Nays: _____
Adopted: _____		Failed: _____

IAFF L-366 PROPOSAL #3

TA'D
05-22-08
for L-366
618

ARTICLE 3. MANAGEMENT SECURITY

SECTION 1. NO STRIKES OR PICKETING

The Union and employees agree that during the life of this Agreement they will not cause, encourage, participate in or support any strike or picketing against Management or on any slowdown or other interruption of or interference with the normal functions of Management concerning any matter which is subject to the grievance procedure or to the jurisdiction of the board of Arbitration. Violation of this paragraph shall be grounds for disciplinary action up to and including discharge without recourse to the grievance procedure.

IAFF #3

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)

MAY 20, 2009 (Updated from 11/26/07)

*5 RW
K OHP*

ARTICLE 7. UNION BARGAINING COMMITTEE

SECTION 1. BARGAINING MEMBERS

The bargaining committee of the Union will include not more than five bargaining unit members and two alternate members employed by the City of Grand Rapids. IF ANY ONE (1) OF THE FIVE (5) NAMED BARGAINING UNIT MEMBERS REGULARLY ATTENDING COLLECTIVE BARGAINING ON THE UNION BARGAINING COMMITTEE IS ABSENT FOR A SCHEDULED BARGAINING SESSION, ONE (1) OF THE NAMED ALTERNATIVE MEMBERS MAY REPLACE HIM/HER FOR THAT SESSION. It may also include non-employee representatives of Local 366 of the International Association of Fire Fighters, not more than two in number. The Union will give to Management in writing the name of its employee representatives on the bargaining committee at least SIXTY (60) days prior to the expiration of this Agreement.

THE CITY'S BARGAINING TEAM SHALL NOT EXCEED THE NUMBER OF MEMBERS OF THE UNION'S BARGAINING TEAM, AS PROVIDED ABOVE, AT A SCHEDULED BARGAINING SESSION. THE PARTIES MAY MUTUALLY AGREE TO MAKE EXCEPTIONS TO THE MEMBER LIMITATIONS, AS AGREED TO ABOVE, ON A CASE-BY-CASE BASIS.

SECTION 2. NO DISCRIMINATION

There will be no discrimination against any employee because of duties as a Union official, Steward, or committee member.

SECTION 3. NO LOST TIME

Employee members of the bargaining committee will be paid by Management for time spent in negotiations with Management, but only for the straight time hours they would otherwise have worked on the regular work schedule. For the purpose of computing overtime, time spent in negotiations shall be considered as hours worked to the extent of the regular work schedule hours which otherwise would have been worked by the committee person.

Article 5 §18.3

*TRAD 5/20/09
GHP
[Signature]*

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)

MAY 22, 2007

TAI
5/22/08
GHP
5-22-08

ARTICLE 7. UNION STEWARDS AND OFFICIALS

...

SECTION 2. STEWARD REPRESENTATION

...

8. Upon the request of an employee, a Steward shall be present and participate at any private meeting between a higher ranking officer and/or management representative, and the employee. If the meeting involves investigation into misconduct of the employee or management reasonably expects the meeting to result in disciplinary action to the employee, the Union President or Vice President (or their designee in writing) and the Steward shall be afforded the opportunity to be present, unless the employee waives such right to representation in writing prior to the meeting. In such cases where a waiver is signed, a copy shall be provided to the Union. THESE PROVISIONS SHALL NOT APPLY IN THE FOLLOWING CIRCUMSTANCES:
1. WHEN PREPARING AND RESEARCHING FOR AN ARBITRATION.
 2. MEETINGS BEING HELD TO DISCUSS IMPOSITION OF DISCIPLINE BETWEEN MANAGEMENT PERSONNEL OF THE CITY.

Article 7 2B

prop #6

T/A

02-07-08

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
February 7, 2008

ARTICLE 8. GRIEVANCE PROCEDURE

...

SECTION 3. PROCEDURE AND ARBITRATION AND TIME LIMITS

Grievances will be processed in the following manner and within the stated time limits:

- A. Step 1: The grievance shall be reduced to writing and signed by the aggrieved employee or group of employees and by the Union Steward. The grievance shall be prepared in accordance with the provisions of this Article and be dated. The grievance shall be presented OR SENT to the Fire-Chief LABOR RELATIONS OFFICE within 15 calendar days of the occurrence OR WHEN THE EMPLOYEE HAD KNOWLEDGE OF THE OCCURRENCE of the alleged violation, not including the day of occurrence. ACCEPTABLE MEANS OF PRESENTATION SHALL INCLUDE IN PERSON, BY FAX, OR BY EMAIL. The Fire Chief will reply to the grievance in writing within 15 calendar days of date of the presentation of the written grievance, not including the day of presentation. Such reply will be given to the Union President, Vice President, and the grievant either personally or by mail, postmarked no later than the last day specified herein for such reply. In the event the Fire Chief is absent, the grievance shall be presented to and answered by the Labor Relations Office within the time limits set forth above.
- B. Step 2:
 1. If the grievance is not settled at Step 1, the written grievance shall be presented to the Labor Relations Office within 15 calendar days after the Fire Chief's response is given RECEIVED, not including the day of response. The grievance shall be presented along with all pertinent correspondence to date.
 2. Within 15 calendar days the parties shall meet to discuss the grievance. Each party shall be limited to 3 participants, unless mutually agreed otherwise.
 3. The Labor Relations Office will reply to the grievance in writing within 15 calendar days of the date of the meeting. Such reply will be given to the Union President, Vice President, and the grievant either personally, BY FAX, BY EMAIL, or by mail, postmarked OR SENT no later than the last day specified herein for such reply.

4. The Union may initiate the grievance at this step of the grievance procedure. A Union grievance is one in which a right given to the Union as such is alleged to have been violated. Such grievances must be initiated within 15 calendar days of their occurrence OR WHEN THE UNION HAD KNOWLEDGE OF THE OCCURRENCE. ACCEPTABLE MEANS OF INITIATION SHALL INCLUDE IN PERSON, BY FAX, OR BY EMAIL.
- C. Step 3:
 1. The Union may submit a Demand for Arbitration within 15 calendar days after receipt of the City Manager's LABOR RELATIONS OFFICE response in AT Step 2, not including the day of receipt of response. ~~The parties shall select an arbitrator from the following panel on a rotating basis:~~ THEREAFTER, THE PARTIES MAY SELECT AN ARBITRATOR FROM THE PANEL OF ARBITRATORS LISTED BELOW BY ALTERNATELY STRIKING NAMES UNTIL ONE REMAINING NAME IS MUTUALLY AGREED UPON; OR, EITHER PARTY MAY STRIKE THE REMAINING NAME AND FILE A DEMAND FOR ARBITRATION USING THE SERVICES OF AAA.

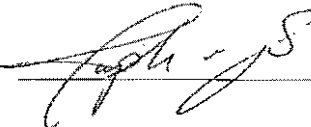
Mario Chiesa
Deborah M. Brodsky
Robert McCormick
Theodore St. Antoine
Benjamin Wolkinson

2. After a demand for arbitration has been received, the parties shall meet in no less than 45 days prior to the grievance arbitration date and attempt MAY MUTUALLY ELECT to resolve the grievance.
3. The arbitration shall be conducted in accordance with the rules of the American Arbitration Association. The power of the arbitrator shall be limited to the interpretation and application of the terms of this Agreement and the arbitrator shall have no power to alter, add to, subtract from or otherwise modify the terms of this Agreement as written. Decisions on grievances within the jurisdiction of the arbitrator shall be final and binding on the employee or employees, the Union, and Management.
4. The fee and expenses of the arbitrator shall be paid by the Union if the grievance is denied and by the employer if the grievance is granted or as the arbitrator directs otherwise. Each party shall fully bear its costs regarding witnesses and any other persons it requires or requests to attend the arbitration. IF UTILIZED THE FEES FOR THE AAA SERVICES SHALL BE PAID BY THE PARTY ELECTING TO STRIKE THE REMAINING NAME

OF A PANEL ARBITRATOR, UNLESS MUTUALLY AGREED
OTHERWISE.

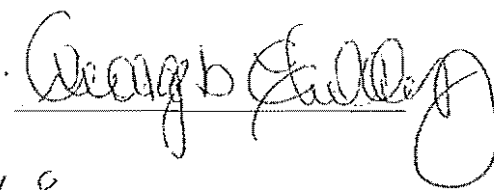
5. It is specifically and expressly understood and agreed that submission of a grievance to arbitration constitutes a waiver of any and all rights by the appealing party and all persons it represents to litigate or otherwise contest the appealed subject matter in any court or other forum.

IAFF Local 366:



Date: 02-07-08

City of Grand Rapids:



Date: 2/7/08

IAFF L-366 PROPOSAL #10

TH's
05-22-08
L-366
GRR

ARTICLE 12. PROMOTION AND VOLUNTARY DEMOTIONS

SECTION 3. ANNUAL EXAMINATIONS

A. There will be annual promotional examinations for the ranks of Fire Lieutenant, Fire Captain, BATTALION FIRE CHIEF, and Fire Equipment Operator. Those employees passing these examinations will be added to the eligible lists. The remaining ranks will be tested on an as-needed basis.

ALL
GRR B. On or about October 31st of each year, the Human Resources Department shall provide an announcement indicating the month of the upcoming scheduled examinations as well as the expected schedule for the Civil Service examination process for the classifications of Fire Captain, Fire Lieutenant, BATTALION FIRE CHIEF, and Fire Equipment Operator.

ALL
GRR C. All test dates set by the Human Resources Department shall be final. Exceptions may be granted on a case-by-case basis after the Human Resources Department, the Fire Chief, and the Union meet and confer. Vacation scheduling shall not be considered to be a basis to grant an exception.

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
November 26, 2007

GIVEN TO
UNION
11/26/07
@ 10:00 AM

ARTICLE 14. WORK ASSIGNMENT

SECTION 5. CLEANING, DUTY HOURS, REMODELING, RIVER DUTY AND WEATHER CONDITIONS

STATUS
IN
Q00
TA

E. The hours between 1630 2200 and 0730 on Mondays through Fridays SATURDAY (with a lunch period from HOUR BETWEEN 1130 to 1300 1230 hours), 1/2-day (1200-0700 hours) on Saturdays, Sundays, and general paid holidays set forth in this Agreement shall be termed as Limited Duty Time. ON SUNDAYS AND GENERAL PAID HOLIDAYS, AS DEFINED IN THIS AGREEMENT, THE LIMITED DUTY HOURS ARE FROM 1400 TO 0700. Only those non-emergency duties customarily performed in the past shall be required.

F. In addition to emergencies, the following activities shall also be exempt from the limited duty hours provisions of this Agreement and shall be considered appropriate duties to be performed during such limited duty times.

1. Shift Change: The period immediately following the daily shift change at 0700 hours shall be exempt from the limited duty provisions expressed for 0700 hours to 0745 hours in that typical duties such as radio check, vehicle check, and equipment checks including SCBA checks, shall be completed immediately following the shift change.
2. Any necessary vehicle transfers or apparatus exchanges will also take place as directed during this period notwithstanding the limited duty time involved.
3. In cases where vehicle transfers or apparatus exchanges have interfered with the available limited duty time on a given date, provisions shall be made by a company officer to provide an adequate break period during a reasonable time in the early part of the morning.
4. Training Exercises: Special training exercises or other restricted duty may be requested on a voluntary basis.

5. Management has the right to schedule up to ~~two FIVE (5)~~ ^{THREE (3) REQUIRED} additional training exercises per year during the limited duty hours. ^{ON A CASE-BY-CASE BASIS} WITH MUTUAL AGREEMENT FURTHER REQUIRED TRAINING MAY BE SCHEDULED ON A CASE-BY-CASE BASIS.

ARTICLE 14 75E&F

TMT @ 5/28/09
GIVE
FOR

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2009)

MAY 20, 2009 (Updated Proposal from 11/26/07)

ARTICLE 15. OVERTIME

SECTION 1. PURPOSE

The following provisions shall govern compensation for overtime to employees of the City **WITHIN THE BARGAINING UNIT.**

Article 15 §1 Update

TR/2 5/20/09
GMP
[Signature]

IAFF PROPOSAL #11

ARTICLE 15. OVERTIME

SECTION 3. QUALIFYING FOR OVERTIME

- A. Overtime shall consist of authorized work in excess of regular number of hours in any scheduled work shift or any work week. Overtime of less than 20 minutes in any work day shall not be included in determining the total number of hours worked. Thereafter, overtime shall be computed to the nearest ¼ hour.

- B. All overtime shall be authorized by a responsible supervisor.

- C. It is agreed that members of the bargaining unit shall be allowed time as authorized by their supervisor to clean and stow their personal effects ~~& (rubber goods)~~ following their return from a fire which they have been relieved on site. It is further understood that the provisions of Article 15, Section 3A shall apply in calculating the compensation for such time but in no event shall the time exceed 30 minutes and no such time shall be allowed for personal hygiene purposes. Upon returning from a medical alarm where services were provided, employees will have up to 30 minutes upon returning to their station for cleaning and decontamination. It is agreed that this determination will be left to the discretion of the supervisor.

I.A.F.F. LOCAL 366  DATE: 02-07-08

CITY OF GRAND RAPIDS  DATE: 2/7/08

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2009)
MAY 20, 2009 (Updated Proposal from 11/26/07)


ARTICLE 15. OVERTIME

...

SECTION 3. QUALIFYING FOR OVERTIME

- A. Overtime shall consist of authorized work in excess of regular number of hours in any scheduled work shift or any work week. Overtime of less than 20 minutes in any work day shall not be included in determining the total number of hours worked. Thereafter, overtime shall be computed to the nearest ½ hour.
- B. All overtime shall be authorized by a responsible supervisor.
- C. It is agreed that members of the bargaining unit shall be allowed time as authorized by their supervisor to clean and stow their personal effects (~~rubber goods~~ ^{AL} _{GIVE}) following their return from a fire which they have been relieved on site. It is further understood that the provisions of Article 15, Section 3A shall apply in calculating the compensation for such time but in no event shall the time exceed 30 minutes and no such time shall be allowed for personal hygiene purposes. Upon returning from a medical alarm where services were provided, employees will have up to 30 minutes upon returning to their station for cleaning and decontamination. It is agreed that this determination will be left to the discretion of the supervisor.
- D. ~~All dispatchers will be subject to call in for overtime opportunities and will be considered available for scheduled overtime prior to and after vacation periods.~~

Article 15 §3 Update

TRM
5/20/09
GAFB


CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2009)

MAY 20, 2009 (Updated Proposal from 11/26/07)

ARTICLE 15. OVERTIME

...

SECTION 5. COMPENSATORY TIME OFF

- A. At the request of any employee eligible for overtime pay, the Fire Chief may provide that, in lieu of cash payment for overtime, he/she may be allowed time off equal to time and one-half of the number of hours of overtime worked. Accumulation of such time will be in compliance with Law. Any such time off shall be taken at a time mutually agreed upon by the employee and the Fire Chief during the calendar FISCAL year in which the overtime was worked. Further deferment of such time off shall be allowed only if approved by the City Manager. Employees may request payment of all or a portion of their earned compensatory time at any time during the calendar FISCAL year. Such request shall be made at least one payroll period in advance. Payment will be based on the rate of pay in effect at the time of the request and shall be made within the next payroll period immediately following the request. In the event that such time off is not taken by the employee within the limiting time, he/she shall be given cash payment for the overtime hours worked at the overtime rate as of December JUNE of the calendar FISCAL year for which paid.

Article 15 §5 Update2

TA'D
05/20/2009
[Signature]
City

TAP 05-22-08
L-366
C.H.P.

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
May 22, 2008

ARTICLE 18. PAY CHANGES

SECTION 1. PURPOSE

The following provisions shall govern the assignment of pay steps to employees of the City WITHIN THE BARGAINING UNIT.

Article 18 (1)

IAFF L-366 PROPOSAL # 14

ARTICLE 19. LONGEVITY PAY

SECTION 2. DEFINITIONS

W 6MP
A. 25 Longevity Pay shall mean a salary additive payment based on length of continuous service paid periodically to employees, adjusted at specified intervals in accordance with the following schedule, and paid as a percentage of top Firefighters wage:

Strike

W 6MP

<u>Service Years</u>	<u>Amount</u>	<u>Longevity Pay Scale</u>
5 through 9	\$270 per year 5%	L1 300
10 through 14	\$450 per year 8%	L2 600
15 through 19	\$630 per year 1.25% L3	L3 900
20 through 24	\$810 per year 1.5%	L4 1200
25 and over	\$990 per year 1.8%	L5 1500

~~Retroactive to July 1, 2007~~

Strike

W 6MP
TRIO 5/28/09
W 6MP
[Signature]

TR/D 5/22/09
GMP
[Signature]

Local 366 Bargaining Proposal #68

Article 20-Vacations

Section 1-definitions—remains same

Section 2-changes to following

Vacation allowance for employees who do not work 24 hour schedule-40 hours

Section 2 Eight hour employees

STRIKE
The following ~~vacation scale shall be used for earning vacation on~~ 40 hours.
See to unchanged. GMP

A. *GMP* On the first day of each calendar year following completion of employee's 2-16th year of continuous service, credit will be added by the following scale—scale equalizes 40 hour and 24 hour scale so that 24 hour employees max at 15 years of earned service credit and 40 hour employees max at 16 years of continuous service(max of 12 days on 24 hours-25 days on 40 hour schedule).

Years of continuous service

Vacation days credited on day following January 1

1 year

10 days-80 hours

2 years

11 days-88 hours

3 years

12 days-96 hours

4 years

13 days-102 hours

5 years

14 days-110 hours

GMP
GMP
GMP
GMP

6 years	15 days-120 hours
7 years	16 days-128 hours
8 years	17 days-136 hours
9 years	18 days-144 hours
10 years	19 days-152 hours
11 years	20 days-160 hours
12 years	21 days-168 hours
13 years	22 days-176 hours
14 years	23 days-184 hours
15 years	24 days-192 hours
16 + years	25 days-200 hours

6/11/08
B (C)

An employee shall become eligible for 1/12 of his/her vacation allowance under subparagraphs A and B above for each calendar month in which he/she works 12 or more days.

6/11/08
C (B)

An employee shall be allowed to maintain a maximum of 40 days of vacation from one fiscal year to another. Any earned vacation in excess of 40 days shall be considered void with the exception of a balance of up to 68 days between the period of January 1st and November 30th.

(This incorporates TA signed on 1/11/08 for 40 hour employees)

GIVEN TO UNION
11/19/07
@ 8:45 AM

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
November 19, 2007

ARTICLE 20. VACATIONS

...

SECTION 2. EIGHT HOUR EMPLOYEES

- ~~B~~^D. An employee shall be allowed to maintain a maximum of 40 days of vacation from one fiscal year to another. Any earned vacation in excess of 40 days shall be considered void with the exception of a balance of 68 days between the period of January 1 and July 31 NOVEMBER 30.

...


SECTION 3. 24 HOUR EMPLOYEES

...

- E. Fire suppression employees shall be allowed to maintain a maximum of 20 days of vacation from one fiscal year to another. Any earned vacation in excess of 20 days shall be considered void with the exception of a balance of 32 days between the period of January 1 and July 31 NOVEMBER 30.

...

Article 20 §2&3

TA 10 5/18/09
GMC


CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
November 19, 2007

GIVEN TO
11/19/07
@
8:55 AM

ARTICLE 20. VACATIONS

SECTION 4. DISPATCHERS

- A. ~~Employees assigned to the Dispatcher 12 hour schedule shall have their vacation converted to hours, rather than days (i.e. 1 week equals 40 hours, etc.)~~
- B. ~~Dispatchers shall be allowed to maintain a maximum of 320 hours of vacation from one fiscal year to another. Any earned vacation in excess of 320 hours shall be considered void with the exception of a balance of 544 hours between the period of January 1 and July 31.~~

... SECTION 5. DRAW & OTHER PROCEDURES

D. ~~Vacation Draw Procedure for Fire Dispatchers~~

~~1. Definitions~~

- ~~a. Prime Period: The months of June, July, August, and any period that includes Christmas.~~
- ~~b. Half Period: Two connecting work days OR two connecting work nights.~~
- ~~c. Single Period: A two work day, two work night cycle.~~
- ~~d. Double Period: Two consecutive single periods.~~
- ~~e. Unit: Any period of vacation that runs in consecutive work shifts.~~
- ~~f. Effective January 1, 1997, the definitions above for Fire Dispatchers shall be changed to be:~~
- ~~(1) Prime Period: The months of June, July, August, and any period that includes Christmas.~~
- ~~(2) Half Period: Either the first two or last two days/nights of a single period.~~
- ~~(3) Single Period: A four work day or four work night cycle.~~
- ~~(4) Double Period: Two consecutive single periods.~~

- ~~(5) Unit: Any period of vacation that runs in consecutive work shifts.~~
- ~~2. The vacation draw will be conducted by seniority between the permanent Fire Dispatchers and will be completed in three rounds of draws. The splitting of periods into half periods is allowed. Electing to draw a half period is considered to be the same as drawing a single period for purposes of the draw.~~
- ~~3. On the first round of the draw a person may:~~
- ~~a. Draw any available double period during prime time. If this option is used, only a single period can be drawn on the second round of the draw with any remaining credits drawn on the third round of the draw.~~
 - ~~b. Draw any available single period during prime time and any single period outside of prime time. If this option is used, all remaining credits can be drawn on the second round of the draw.~~
 - ~~c. Draw full vacation credits outside of prime time. These can be drawn in consecutive periods or split into two, but not more than three separate units.~~
- ~~4. The manner and sequence of the second and third rounds of the draw will depend upon how the individual chooses to make his/her first draw.~~
- ~~5. When it is the turn for the next Dispatcher to draw, he/she will be given two work days to make his/her draw. If he/she does not make his/her choice within the two work days, he/she will be bypassed and the draw will continue with the next person.~~
- ~~6. To change drawn vacation, comp time, or to schedule leftover vacation days will require a minimum two weeks notification to the swing person. These changes will be granted with due regard for seniority unless mutually agreed otherwise by the parties.~~
- ~~7. Dispatchers shall have the right to draw two 1/4 vacation periods at any time during the year.~~
- ~~8. If requested prior to the publication of the upcoming schedule, dispatchers shall have the additional ability to make selections to periods not closed by the draw by being granted unlimited quarter periods defined as one day draws if the days are available. These selections will be granted on a first come, first serve basis without regard to seniority.~~

TA 5/18/09
6/1/09

GIVEN TO
UNION
11/19/07
10:05

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
November 19, 2007

ARTICLE 20. VACATIONS

SECTION 5. DRAW & OTHER PROCEDURES

A. Vacations shall be scheduled with due regard for seniority, employee preference and needs of the service, in accordance with the following procedure:

1. The vacation draw procedure for 50.4 hour personnel will be conducted in four rounds of draws. On the first round of the draw, a person may:

- a. Draw any available *FULL* period during prime time. Any remaining ~~time~~ CREDITS will MAY be drawn on the second and third rounds in half period units.
- b. Draw a half period during prime time, and a half out, or two half periods outside prime time. All ANY remaining credits can MAY be drawn in HALF PERIOD units on the second round of the draw.
- c. Draw full vacation credits in any series of *CONNECTING* half periods outside of prime time. ANY REMAINING CREDITS MAY BE USED IN THE FOURTH (JUNK) ROUND.
- d. Draw full vacation credits in *TWO* separate units outside of prime time. These can be in combinations of three and six, three and nine, or six and six, depending on the number of days credited. ANY REMAINING CREDITS MAY BE USED IN THE FOURTH (JUNK) ROUND.

TRAD
5/28/09
6/1/09
JWS

- 2. The manner and sequence of the second and third draws will depend upon how the individual chooses to make the first draw.
- 3. As soon as the vacation draw has been completed on each shift, we will go down the list for a fourth time to allow each individual to draw all remaining credits at this time. Anyone not wishing to draw these credits at this time will be limited to the days available at the time they make their selection.
- 4. Ten days after the vacation draw has been completed, changes will be allowed to periods that are not closed by the draw. Splitting of days into 12 hour vacation periods will be allowed but only after this time. These changes will be granted on a first come, first serve basis without regard for seniority.

- 5. The vacation draw will be conducted by shifts with department seniority given preference on each shift. A maximum of ~~eight~~ ~~SIX (6)~~ ^{SEVEN (7)} employees will be scheduled on vacation in any one day on each shift. A maximum of three employees per shift will be permitted on vacation at the same time in any one company. *GRC*
- 6. After the dispatchers ~~have assembled the next day's manpower figures~~ HAVE BEEN ASSEMBLED, Battalion Chiefs shall approve vacation requests for the oncoming shift, provided that the provisions of item "5" above are strictly adhered to. ~~REQUESTS SUBMITTED WITH LESS THAN FORTY-EIGHT (48) HOURS NOTICE MAY BE APPROVED AT THE SOLE DISCRETION OF MANAGEMENT BASED UPON THE NEEDS OF SERVICE.~~ *w/d GRC*

Article 20 §5A

A

UNION BARGAINING PROPOSAL #18 (IAFF LOCAL 366 / 2007-2009)

MAY 20, 2009 (Updated from Initial Proposal)

ARTICLE 21. HOLIDAYS

SECTION 1.

The following shall be general paid holidays for City employees:

January 1	Labor Day
Presidents' Day	Veteran's Day
Good Friday	Thanksgiving Day
Memorial Day	December 24
July 4	December 25

~~Employee's Birthday~~ MARTIN LUTHER KING DAY Personal Holiday (8 hour employees)

Eight hour employees may have the option of the Friday following Thanksgiving or their ~~Birthday~~ PERSONAL HOLIDAY.

The days on which the above holidays are celebrated shall be the same as those observed by the United States Government, provided that holiday premium pay shall be paid for the actual calendar date of the holiday on July 4, December 24, December 25, and January 1.

~~Whenever the employee's birthday falls on the day considered as one of the other paid holidays, the next calendar day shall be considered as the employee's birthday. A birthday PERSONAL holiday may be used on the EMPLOYEE'S BIRTHDAY day of occurrence or 30 days following the occurrence at the employee's discretion. If the employee chooses not to use the birthday PERSONAL holiday during this period ON HIS/HER BIRTHDAY, it may be used at any time mutually agreed upon in DURING the FULL calendar year. If the employee chooses not to use their birthday PERSONAL holiday during the calendar year, it will automatically be credited to their vacation bank. No holiday premium pay shall be paid if the employee elects to work on his/her birthday.~~

TAID 5/20/09
GHP
[Signature]

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UNION
11/19/07
@ 11:15 AM

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
November 19, 2007

ARTICLE 21. HOLIDAYS

5-28-09
fuo

SECTION 3.

Employees who regularly work 24 consecutive hour shifts shall receive the following:

Status
9/30

A. Employees on duty and working on a holiday shall receive 10 hours holiday pay in addition to their regular pay for the week in which any such holiday occurs.

B. Employees who are off duty and who do not actually work on a holiday shall receive ~~8 hours holiday pay in addition to their regular pay for the week in which any such holiday occurs~~ NO HOLIDAY PAY.

SECTION 4.

An employee on formal unpaid leave of absence or, layoff (removed from payroll), OR RECEIVING STATUTORY WAGE LOSS PAYMENTS UNDER THE MICHIGAN WORKERS' COMPENSATION ACT shall not receive holiday pay for any holiday which occurs during such period.

Article 21 §32.4

Agree - 5/28/09
fuo

TAID
GM

UNION BARGAINING PROPOSAL #19 (IAFF LOCAL 366 / 2007-2009)

MAY 20, 2009 (Updated from Initial Proposal)

ARTICLE 22. SICK LEAVE

SECTION 1. DEFINITIONS

Immediate family shall be the following: spouse, children, step-children, parents, CURRENT STEP PARENTS, grandparents, brothers, sisters, father-in-law or mother-in-law of the employee.

Union 19 Article 22 51

TAID
5/20/09
6/16
[Signature]

TA'd on
01-11-08

IAFF L-366 PROPOSAL # 20

ARTICLE 22. SICK LEAVE

2. S/L Accumulation

MC
6/11/08

~~SECTION 1. DEFINITIONS~~

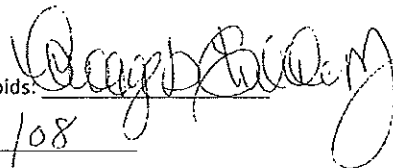
- A. An employee shall accumulate 1 day of sick leave for each calendar month of service in which the employee works $\frac{1}{2}$ or more of all regularly scheduled days.

I.A.F.F. Local 366:



Date: 01-11-08

City of Grand Rapids:



Date: 1/11/08

Given TO
UNION 11/19/07
@ 9⁰⁰ AM

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
November 19, 2007

ARTICLE 22. SICK LEAVE

SECTION 3. RECORDING USE OF SICK LEAVE

Sick leave usage shall be recorded to the nearest ½ hour. Employees who are scheduled to work on a holiday and either call in sick or report to work and go home sick during the shift shall have all hours not worked charged to their sick leave bank.

THE PRACTICE OF ALLOWING EMPLOYEES WHO DO NOT WORK A 24 HOUR WORK DAY TO TAKE UP TO TWO (2) REGULARLY SCHEDULED HOURS OFF FOR A DOCTOR OR DENTIST APPOINTMENT WITHOUT CHARGE TO SICK LEAVE SHALL CEASE UPON THE IMPLEMENTATION OF THE SUCCESSOR CONTRACT (EFFECTIVE JULY 1, 2007), UNLESS THE UNION IS SUCCESSFUL IN NEGOTIATING SUCH FRINGE BENEFIT THROUGH EXPRESS CONTRACT LANGUAGE. IN ABSENCE OF SUCH EXPRESS PROVISIONS BEING MUTUALLY AGREED TO BY THE PARTIES THE PRACTICE SHALL CEASE.

Article 22 93

UNDERSTOOD TO BE EFFECTIVE DATE
OF 312 AWARD

TAD
5/28/09
GRC.
JFO

JA'd 05-22-08
Fwd L-366
GHP

ARTICLE 22. SICK LEAVE

SECTION 6. SUBSTANTIATION

~~An employee shall substantiate the use of sick leave by such reasonable means as the Fire Chief may require. Falsification of any sick leave affidavit or fraudulent use of sick leave shall be grounds for disciplinary action up to and including discharge.~~

SECTION 6. SUBSTANTIATION

- A. A 50.4 employee shall be entitled up to three (3) occurrences per calendar year of unsubstantiated sick leave; a 40 hour employee shall be entitled to six(6) occurrences per calendar year of unsubstantiated Sick Leave.
- B. An employee shall substantiate any Sick Leave usage beyond the above stated limits of unsubstantiated uses by one of the following means:
 - 1. Personal knowledge or observation of supervisor not to exceed 10 calendar days.
 - 2. Prescription including date of issue on or about date of sick leave usage.
 - 3. Note from physician containing date and person was unable to work. Exception is if the person cannot get into the physicians office and is issued a statement to that effect.
 - 4. Letter from physician stating an ongoing condition, which shall be substantiation for occurrences of relevant sick leave usage for up to 1 year from date of issue.
- C. Fraudulent use of sick leave may be investigated by the Labor Relations office.

IAFF L-366 PROPOSAL # 25

ARTICLE 22. SICK LEAVE

SECTION 9. PAY FOR UNUSED SICK LEAVE

D. The parties agreed to jointly establish a program which provides incentive for saving sick leave time by allowing full time employees who retire to receive pension service credit for all of their unused sick leave time up to a maximum of 2,080 hours for 40 hour a week employees and ~~2,620~~^{2,080} hours for 24 hour employees. ~~Effective July 1st 2007 for employees retiring on or after July 1st 2007, employees will be eligible to purchase 2 years pension service credit with one year of sick leave.~~ However, employees would not be able to use sick leave to acquire eligibility status for obtaining said pension.

TATD 5/28/09

GVP
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CONTRACT
LAW GUARTEE
TO BE
WRITTEN &
APPROVED BY
PLACED IN

L.

GVP
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CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
November 26, 2007

Given TO
UNION
11/26/07
@ 8:45 AM

ARTICLE 36. CAR ALLOWANCE AND PARKING

STATUS
GOOD
ON CAR

SECTION 1.

~~On the occasion of being temporarily transferred from one Engine House to another by reason of the necessity to balance the City's firefighting capability, an employee shall be paid \$3 as a reimbursement and will provide his/her own transportation incidental to such transfer. In the event an employee has no acceptable means of transportation available, the Battalion Chief shall arrange for the employee's transfer, and the employee will forfeit the \$3 payment.~~

The payment for travel pay will be by means of a check on a quarterly basis.

SECTION 2.

~~Management agrees to provide free parking space at locations designated by it for Fire Alarm Operators and the Chief Fire Alarm Operator who are employed in the Police Building and who drive their personal automobiles to work. Management shall provide Dispatch with parking cards for the ramp that accommodates the Police Building.~~

SECTION 2 - PARKING
SECTION 3 - PARKING

SECTION 3. PARKING

The parties agree to meet and explore alternative transportation incentives. The purpose of these meetings will be to see if incentives can be provided to avoid driving personal vehicles to work.

Article 36 §122

TAIQ 5/18/09
WITH NOTATION 5
AS ABOVE

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IAFF L-366 PROPOSAL # 27

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ARTICLE 38. TRADE TIME PROCEDURE

SECTION 1. TRADING OF WORK DAYS

An employee shall be allowed to trade an unlimited number of days with another employee upon ~~application and approval~~ in accordance with the administrative procedures of the Fire Department. It is expressly understood that during the first 12 weeks following assignment after graduation from the Fire Training Academy recruits shall be limited to trading or exchanging time with other recruits from his/her class. If such trades or exchanges are made by recruits they must be taken and paid back during the initial 12 week rotation.

SECTION 2. TRADING OF LEAVE DAYS

An employee shall be allowed to initiate the exchange of leave days (L-days) with another employee upon ~~application and approval~~ in accordance with the administrative procedures of the Fire Department. It is expressly understood that during the first 12 weeks following assignment after graduation from the Fire Training Academy recruits shall be allowed to trade L-days with any other employee as long as the trades are completed within the appropriate L-day cycle and the initial 12 week rotation

SECTION 4. PROCEDURE FOR TRADING TIME (24 HOUR SHIFT EMPLOYEES)

~~B. All requests for exchange of time over 12 hours must be made on an "Exchange of Time Request" form and submitted through channels for the necessary approval. Battalion Chiefs are authorized to approve an exchange of time up to 12 hours. Company officers are authorized to approve an exchange of time not to exceed 4 hours. Battalion Chiefs should be made aware of these instances.~~

F. ~~All requests to trade leave days must be submitted on the "Leave Day Request" form. The request must be completed and submitted to the Fire Chiefs office at least five calendar days before the earliest date change involved. Any trades of leave days must occur within the following or preceding two leave day cycles.~~

Article 40 working agreement. ^{WC} 6/11/09

TA' 6/3/09
WC
6/11/09

SECTION 5. ADMINISTRATION

- A. Administration of this THE Working Agreement shall be made through the Fire Chiefs Office JOINTLY ADMINISTERED BY THE UNION AND THE FIRE CHIEF OR HIS/HER DESIGNEE. A rotation list shall be established and detailed records kept of each individual's participation in the agreement. These records will be made available to any officer of Local #366 at any convenient time.
- B. The cost of meals, house dues, and other expenses incidental to the employee's position shall be borne by the incapacitated member during the period of the member's absence.
- C. Any dispute arising out of the interpretation or applications of the provisions of this Article shall be resolved by means of negotiations between the parties.
- D. The parties recognize that the workers' compensation process is the legal process which ultimately adjudicates claims of work related injuries or illnesses. Therefore, the parties acknowledge that the City's not implementing the working agreement is in no way an admission that the injury/illness is work related. In addition, such an act by the City should not be construed as a waiver or forfeiture of the City's right as the employer to contest any workers' compensation claim.
- E. The Union agrees and assures the City that its approval or disapproval of implementation of the working agreement will not be arbitrary or capricious and it will not be based on any illegal reasons (i.e. discrimination). The Union will hold the City harmless in any challenge to the Union's decision to disapprove the implementation of the working agreement.

SECTION 6. IMPLEMENTATION

- A. Actual implementation of this Working Agreement shall be as follows:
 - 1. The 50.4 HOUR person working on an assigned day SHALL EITHER report to the station of the incapacitated member TO VOLUNTARILY WORK FOR THAT MEMBER OR, HAVE UPON THEIR ELECTION 12 HOURS DEDUCTED FROM THEIR SICK LEAVE BANK OR 4 HOURS DEDUCTED ~~VACATION BANK~~ SUCH ELECTION SHALL BE MADE NO LATER THAN 20:00 HOURS ON THE PRECEDING CALENDAR DAY. When a 50.4 hour scheduled member reports for work under this agreement, the member shall work a 12 hour shift, with 2 members covering a 24 hour shift.
 - 2. If an officer, or rated individual, is the working member, they will be utilized somewhere in the Department in their rated capacity whenever possible, but such assignment shall not disrupt acting assignment pay situations.
 - 3. All individual's reporting for work shall do so with all necessary protective clothing and equipment necessary to perform in their assigned capacity.
 - 4. ~~When a 50.4 hour scheduled member reports for work under this agreement, the member shall work a 12 hour shift, with 2 members covering a 24 hour shift. When a 40 hour scheduled member reports to work, the member shall EITHER work 8 hours OR HAVE THAT TIME DEDUCTED FROM THEIR VACATION OR SICK LEAVE~~

From
their
WC
6/11/09

BANKS. Three 40 hour scheduled members shall be teamed together to complete the 24 hour shift.

- 5. 40 hour personnel and ~~dispatch operators~~ who are assigned to work under the Working Agreement will be scheduled in the order they appear on the list, but will be assigned on a shift that is most conducive to the needs of service. This work will be completed within a 90 day time period from the date the name appears on the schedule. It is understood that such assignment may not be in exact calendar order with those employees who work in other areas in order to meet those needs of service.

SECTION 7. NO COMPENSATION

It is agreed and understood that when this Article is applied, working members shall not be compensated in any way. They are working on behalf of the incapacitated member in order that that member may be maintained on the payroll as if working.

SECTION 8. MILITARY DUTY

In recognition of the economic and social dislocations resulting from the activation of military reserve unit members, the parties agree that any member of the bargaining unit who is inducted into any branch of the United States Armed Services or who is a member of a reserve unit and is called to full time active military service may be eligible for the application of the benefits of this Working Agreement. Such benefits shall apply only if sufficient volunteers are available to work the member's scheduled shifts and such benefits shall be limited to a total of two (2) months time.

ARTICLE 41. LIGHT DUTY

SECTION 1. PROCEDURE

The following provisions shall establish the criteria and procedure to be used in determining the duty status of employees in the uniformed Fire Service who are disabled.

SECTION 2. MEDICAL DETERMINATION

The City physician shall determine the extent of the disability and the degree of physical limitation as it relates to the job duties of the employee. If the employee is found to be incapable of performing the required regular job duties, the City Physician will consult with the Fire Chief. The City Physician shall determine whether or not an employee shall be assigned to light duty, consistent with the limitations of the employee.

SECTION 3. LIMITATION

Light duty assignments shall be limited to not more than 4 employees at any given time (NOT COUNTING UNDISPUTED WORKER'S COMPENSATION ASSIGNMENTS). Light duty assignments shall be limited to a total of 12 months consecutive or in the aggregate. An employee on light duty shall be compensated at his/her regular rate of pay, regardless of the duty assignment. Management reserves the right to retain an employee on light duty in excess of 1 year when such action is determined to be in the best interest of the City.

ARTICLE 42. WORK WEEK AND WORK DAY

bc colly

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
November 19, 2007

GIVEN TO
UNION
11/19/07
@ 9:10 AM

ARTICLE 42. WORK WEEK AND WORK DAY

SECTION 1. WORK WEEK

- A. A work week for regular full-time employees in the Fire Department, excluding Deputy Fire Chiefs, Fire Alarm Operators, Chief Fire Alarm Operator, Fire Maintenance Electrician, Fire Captain-Building Maintenance, Fire Captain-Fleet Maintenance, Fire Prevention Inspector, Fire Investigator, Fire Captain-Prevention, Fire Marshal, Hazardous Materials Planner, Fire Training Supervisor and Assistant Fire Training Supervisor shall MAY consist of 50.4 56 hours including meal periods. SHIFTS MAY INCLUDE THOSE LESS THAN 56 HOURS IN ORDER TO ADJUST FOR PEAK DEMANDS FOR SERVICE.
- B. UNLESS THE NEEDS OF SERVICE REQUIRE OTHERWISE the work week for Deputy Fire Chiefs, Fire Alarm Operators, Chief Fire Alarm Operator, Fire Captain-Building Maintenance, Fire Captain-Fleet Maintenance, Fire Maintenance Electrician, Fire Prevention Inspector, Fire Investigator, Fire Captain-Prevention, Fire Marshal, Hazardous Materials Planner, Fire Training Supervisor and Assistant Fire Training Supervisor shall consist of 40 hours. AT THE DISCRETION OF THE FIRE CHIEF EMPLOYEES IN THESE CLASSIFICATIONS MAY BE ASSIGNED TO 56 HOUR SHIFTS WHEN THE NEEDS OF SERVICE REQUIRE SUCH ASSIGNMENTS.

SECTION 2. WORK DAY

- A. The schedule of employees required to work an average 50.4 56 hour work week as set forth above shall be as follows: 1 day on, 1 day off, 1 day on, 1 day off, 1 day on, and 4 days off. In addition, employees assigned to such schedule shall be granted a paid leave day based upon the following: Earned leave days are established in cycles of 10 work days numbering 1 to 10. Each employee is assigned 1 of the numbered leave days in each cycle. In the event an employee is transferred to a different shift, his/her leave day number shall be changed. It is understood that compliance with the average 50.4 hour schedule is accomplished if an individual has a scheduled leave day in each completed leave day cycle. A complete leave day cycle shall be construed to mean a 10-work day cycle beginning with leave day 1 and ending with leave day 10. However, it is recognized that the trading of leave days between individuals may result in 2 or more leave days occurring in 1 cycle and none in others.

W/D 5/18/09
@ Exception of FAO
Strike 6/11/09
[Signature]

- B. Employees required to work a 40 hour work week, as set forth above, shall work 8 hours per day, 5 days per week, unless regularly scheduled otherwise.

The shift starting time for personnel assigned to the ~~60.4~~ 56 hour work week will be 0700 hours. The shift starting time for personnel assigned to the 40 hour work week, ~~except for Fire Alarm Operators,~~ will be 0800 hours.

Article 42 §132

GIVEN TO
UNION 11/19/07
@ 9⁰⁵ AM

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
November 19, 2007

ARTICLE 42. WORK WEEK AND WORK DAY

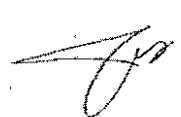
SECTION 3. DISPATCHER 12 HOUR SHIFTS

The 12-hour shift for Dispatchers shall be established in the following manner:

- A. There shall be two shifts, a first shift and a second shift. The first shift shall start at 0600 hours and the second shift shall start at 1800 hours.
- B. An employee shall work two days on the day shift, two nights on the night shift followed by four periods off.
- C. The schedule for Dispatchers shall be comprised of the following hours:

	SUN	MON	TUES	WED	THUR	FRI	SAT
1st week	6-18	6-18	18-6	18-6	off	off	off
2nd week	off	6-18	6-18	18-6	18-6	off	off
3rd week	off	off	6-18	6-18	18-6	18-6	off
4th week	off	off	off	6-18	6-18	18-6	18-6
5th week	off	off	off	off	6-18	6-18	18-6
6th week	18-6	off	off	off	off	6-18	6-18
7th week	18-6	18-6	off	off	off	off	6-18
8th week	6-18	18-6	18-6	off	off	off	off

Article 42 §3

TA' @ 5/18/09
6/16


Given to Union
11/19/07
@ 2:00 PM

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
November 19, 2007

ARTICLE 44. ACTING ASSIGNMENT

SECTION 2. SHORT TERM

...

- C. Any manpower changes reported after midnight will STAFFING CHANGES AFTER 20:00 THE NIGHT PRIOR TO THE ONCOMING SHIFT SHALL be dealt with separately. The new manpower STAFFING information will not change the assignments and/OR callbacks already determined during the ~~midnight~~ 20:00 to 0600 hours preparation time with the exception of rated personnel who are returning to duty. In this instance, acting assignment personnel will be returned to their regular assignment(s).

...

Article 44 §2C

TAL Q
5/28/09
EHP
[Signature]

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
Updated 5/28/09 (Mini Session)

ARTICLE 44. ACTING ASSIGNMENT

SECTION 3. CERTIFICATION AND DECERTIFICATION

- A. Effective April 28, 1992, any new certification for Truck E.O. and Engine E.O. will be combined into the single certification of Certified E.O. In order for new personnel to be certified, they will have to successfully complete the certification tests for both Engine E.O. and Truck E.O. These individuals will specify their travel preferences annually and separately for Engine E.O. and Truck E.O. once they are certified. ANY EMPLOYEE HIRED AFTER JULY 1, 2009 SHALL BE REQUIRED TO ACHIEVE HIS/HER OFFICER AND EQUIPMENT OPERATOR CERTIFICATIONS WITHIN A PERIOD OF SIX (6) YEARS FROM DATE OF HIRE, UNLESS THERE ARE LEGITIMATE REASONS TO GRANT AN EXCEPTION TO THIS REQUIREMENT. EXCEPTIONS MAY BE REASONABLY GRANTED BY THE CERTIFYING AUTHORITY DESIGNATED BY THE FIRE CHIEF.

Article 44 §3A Updated

TR/2
5/28/09
EWP
ZCP

IAFF L-366 PROPOSAL #40

TA'D
05-22-08
Two L-366
GHP

ARTICLE 49. PHYSICAL FITNESS PROGRAM

SECTION 1. PURPOSE

It is the mutual intent of the parties to develop a mandatory physical fitness program to facilitate and promote the overall efficiency of departmental personnel. Consequently the parties agree to the following program principles:

- A. All members of the bargaining unit shall participate in a supervised, structured physical exercise workout of at least 30 minutes per on-duty day. Such exercise period shall be scheduled during the course of the active duty day (0745-1600 hours).
- B. The department shall engage the services of a physical fitness specialist to assist in the development of the exercise program and to provide professional advice and consultation regarding the implementation of the program.
- C. The program shall incorporate the concept of appropriate medical evaluation regarding the suitability of the exercise program as individual medical circumstances dictate.
- D. ~~Company officers shall be responsible for recording and reporting completion of exercise cycles of personnel under their supervision.~~ EMPLOYEES ARE RESPONSIBLE FOR COMPLETION OF THE EXERCISE PROGRAM DESCRIBED IN SUBSECTION A.
- E. The City will ensure that each of the stations will have access to appropriate exercise equipment as determined necessary for the success of the exercise program based upon the recommendation of the physical fitness specialist and concurrence of the Fire Chief.

IAFF #40

4/30/08 SET OF PRIOR
CITY PROPOSALS
WHICH ARE ON
TABLE

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
November 26, 2007

GIVEN TO
UNION
11/26/07
@ 8/5 AM

ARTICLE 51. CONTRACT TERMINATION AND MODIFICATION

SECTION 1.

This Agreement shall continue in full force and effect until 11:59 PM on June 30,
2007. ~~DECEMBER 31, 2010.~~

JUNE 30 ☺

SECTION 2.

If either party desires to terminate this Agreement, it shall NO LATER THAN
SIXTY (60) days ~~AND NOT EARLIER THAN ONE HUNDRED EIGHTY (180)~~
DAYS prior to the termination date, give written notice of termination. If neither
party shall give notice of amendment as hereinafter provided, or if each party
giving a notice of termination withdraws the same prior to termination date, this
Agreement shall continue in effect from year to year thereafter, subject to notice
of termination by either party on 60 days written notice prior to the current year's
termination date.

WITH NO LESS THAN ☺

SECTION 3.

If either party desires to modify or change this Agreement, it shall NO LATER
THAN SIXTY (60) days ~~AND NOT EARLIER THAN ONE HUNDRED EIGHTY (180)~~
DAYS prior to the termination date or any subsequent termination, give
written notice of amendment, in which event the notice of amendment shall set
forth the nature of the amendment or amendments desired. If notice of
amendment of this Agreement has been given in accordance with this paragraph,
this Agreement may be terminated by either party on its termination date or any
time thereafter on 10 days written notice of termination. Any amendments that
may be agreed upon shall become and be a part of this Agreement without
modifying or changing any of the other terms of this Agreement.

☺

SECTION 4.

Notice shall be in writing and shall be sufficient if sent by certified mail,
addressed, if to the Union, to the Union President at his/her home address, and if
to Management, addressed to the City of Grand Rapids, City Hall, Grand Rapids,
Michigan, or to any such address as the Union or Management may make
available to each other.

Article 51

TAID as
amended 5/18/09
GUB
for

IAFF L-366 Proposal 64

Article 52, section 2

G. Pension Purchase: Employees shall be permitted at their option to purchase up to 2 years of credited service at the total expense of the employee. The cost per year is 17.84% of the employee's current covered compensation. This will be effective for employees of record as of and after July 1, 1991. Effective July 1, 1994, the cost per year for purchasing credited service shall be determined on a separate normal cost basis annually for Fire Fighters as provided in the Grand Rapids City Code under Title 1, Chapter 7, Article 2, Section 1.243.(4). An employee who purchases service credit and is subsequently granted a duty or non-duty disability retirement shall add the purchased service time to their final disability calculation. ~~SHALL UPON~~

REQUEST BE REFUNDED THE PURCHASE AMOUNT WITHOUT ANY ACCRUED INTEREST. THIS PROVISION SHALL BE EFFECTIVE JULY 1, 2007. ALL PAYMENTS SHALL BE MADE IN COMPLIANCE WITH IRS REGULATIONS.

TAID 5/28/09 J. [Signature]

GMP
[Signature]

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2009)
June 3, 2009

ARTICLE 52. CONTRACTUAL AMENDMENTS AND EFFECTIVE DATES

...

SECTION 2. PENSION ORDINANCE AMENDMENTS

...

H.

4. ~~Average Final Earnings For Pension Calculations: Effective July 1, 1994, amend the pension ordinance to reflect that all taxable wages are to be included in Final Average Salary (FAS) for pension calculation purposes. The overtime amount shall be a percentage of 7.3%. ADDITIONAL COMPENSATION ITEMS (ALL W-2 SUPPLEMENTAL EARNINGS) EARNINGS ADJUSTMENT TO FINAL AVERAGE SALARY (FAS), AS PROVIDED UNDER SECTION 2(C) ABOVE, SHALL UTILIZE AN OVERTIME AMOUNT OF FOUR AND TWO-TENTHS PERCENT (4.2%) OF THE EMPLOYEE'S BASE SALARY RATE. ADDITIONALLY THE INDIVIDUAL EMPLOYEE AT HIS/HER DISCRETION MAY INCLUDE UP TO SIX (6) DAYS OF VACATION WHEN CASH PAYMENT IN LIEU OF UNUSED VACATION IS MADE FOR THAT NUMBER OF DAYS OR GREATER UPON TERMINATION UNDER THE PROVISIONS OF ARTICLE 20, SECTION 5 (G) OR (H) IN HIS/HER FAS. THIS PROVISION SHALL BE EFFECTIVE ON THE DATE OF THE ISSUANCE OF THE 312 AWARD.~~

...

Article 51 §2H4

TAI d
6/3/09
GRC
[Signature]

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
February 25, 2008

6/11/08 TO
UNION
2/25/08
@ 205 pm

ARTICLE 52. CONTRACTUAL AMENDMENTS AND EFFECTIVE DATES

...
SECTION 6. NO SMOKING POLICY

THERE SHALL BE NO ~~smoking~~ in the fire stations ~~shall be limited to the~~
~~apparatus room and outside the facility~~ OR IN ANY CITY VEHICLES. SMOKING
IN THE AREA SURROUNDING THE FIRE STATIONS SHALL BE IN
COMPLIANCE WITH APPLICABLE CITY ORDINANCES.

Article 52 98

TRAD
6/3/09
G.R.F.
Luo

Rec'd 02-07-08

10:17 am

T/A

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
February 7, 2008

ARTICLE 52. CONTRACTUAL AMENDMENTS AND EFFECTIVE DATES

...

SECTION 9. MEMORANDUM OF UNDERSTANDING - ALTERNATIVE WORK SCHEDULES

In order to provide a trial period for implementation of alternative work schedules at the Fire Department for members of the International Association of Fire Fighters (IAFF), Local 366, who work 40 hour work weeks, the parties have agreed and stipulate to the following:

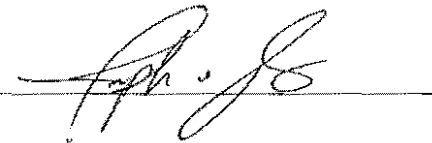
- A. ~~Alternative scheduling is intended to allow employees some limited flexibility in their work schedules on a monthly basis while still providing coverage of the needs of service. Alternative scheduling will generally be available on a month-by-month basis to regular full-time employees whose regular work week consists of 40 hours. Such alternative schedules shall be as scheduled and approved by the Deputy Fire Chief at least 1 month in advance. Employees shall have the option of choosing whether or not to participate in alternative scheduling. Approval of which employees will be allowed to participate shall be at the sole discretion of the Fire Chief.~~
- B. ~~Employees opting to participate in alternative scheduling shall provide written notice to the Deputy Fire Chief by the 20th day of the month preceding any month where an alternative schedule is to be developed.~~
- C. ~~Once a work schedule for a given month is established and approved, the alternative schedule shall be honored by management barring unusual circumstances.~~
- D. ~~Alternative scheduling shall consist of four 10 hour work days with the shift starting time of 0700 hours and shift ending time of 1800 hours, excluding a one hour unpaid lunch. Work day schedules shall consist of a pattern of working Monday through Thursday one week and then Tuesday through Friday the following week.~~
- E. ~~Employees working alternative schedules shall be required to utilize sick leave and vacation on an hourly basis with accruals being understood to be one day equals eight hours. Where reference is made in the Agreement to "days", "weeks", "workdays", "work weeks", and the like, such terms shall for those employees assigned to alternative schedules be interpreted and applied in a manner consistent with the basic understanding that alternative scheduling will not increase the City's labor costs.~~

F. ~~For work weeks in which a holiday is observed, the employee can elect either to work four 8-hour days and be credited with 8 hours holiday pay (as provided in Article 21, Section 2(a)) or work three 10-hour days and carry 2 hours vacation to be added to the 8 hours holiday pay in order to obtain 40 hours pay in that work week.~~

~~The trial period shall commence on November 1, 1997, and shall last through October 31, 1998. Either party may terminate the trial period by providing 30 day notice in writing. The trial period may be terminated by mutual agreement at any time.~~

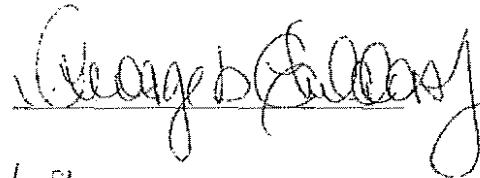
Note: Parties agree to re-number Sections following Section 9 accordingly.

IAFF Local 366:



Date: 02-07-08

City of Grand Rapids:



Date: 2/7/08

IAFF L-366 PROPOSAL # 50

ARTICLE 52. CONTRACTUAL AMENDMENTS AND EFFECTIVE DATES

SECTION 43. LETTER OF UNDERSTANDING - FLOAT SHIFT

~~The float shift will exist as a letter of understanding until the annual duty draw is carried out and implemented in 2005 under the provisions of Article 14 Work Assignment, Section 2. The parties may agree to continue this letter of understanding beyond the annual duty draw in 2005. If the parties agree to continue the float shift program beyond the annual duty draw of 2006, either party may cancel the terms of this letter of understanding with ninety (90) days notice.~~

I.A.F.F. Local 366:

Date:

01-18-08

01-16-08 *RL*

City of Grand Rapids:

Date:

1/16/08

one

IAFFL - 366 Proposal 65

Article 52 ^{Section} New Section 17 *KL GR*

Allow and account for retirees and / or their spouse and dependants to pay premiums for accidental or health insurance or long term care insurance directly from their individual monthly benefit in the Police and Fire Pension Plan to their insurance provider. See IRS Publication 575, page 5, Insurance Premiums for Retired Public Safety Officers for further details.

*IF NECESSARY PLACE
SPECIFIC PROVISIONS FROM
IAS POB IN KL GR*

[Handwritten scribble]

*TA'd
05/28/09
[Signature]*

GIVEN TO
UNION
11/19/07
@ 11:20 AM

CITY BARGAINING PROPOSAL (IAFF LOCAL 366 / 2007-2008)
November 19, 2007

APPENDIX A

CLASSIFICATION TITLE TABLE

Hazardous Materials Planner	198
Fire Captain - Prevention	200
Fire Fighter	201
Fire Equipment Operator	202
Fire Lieutenant	203
* Fire Captain	204
* Battalion Fire Chief	205
* Deputy Fire Chief	206
Fire Training Supervisor	207
Assistant Fire Training Supervisor	208
Fire Investigator	209
Fire Prevention Inspector	210
Fire Marshal	211
Chief Fire Alarm Operator	212
Fire Alarm Operator	213
Fire Captain - Building Maintenance	214
Fire Maintenance Electrician	215
Fire Captain - Fleet Maintenance	220
Assistant Fleet Maintenance Supervisor	463
Emergency Medical Services Coordinator	807

* CITY PROPOSES RANKS OF FIRE CAPTAIN AND ABOVE BE OUT OF THE BARGAINING UNIT.


Appendix A

W/D 5/22/09 (w)
UNDERSTANDING THAT CFAO &
FAO ARE NOT IN SALARY GRD
OR TO BE LISTED IN APPENDIX
GAB
LWS

IAFF L -366 Proposal # 55 (modified)

Increase the wage for the position of Fire Captain Fleet Maintenance/Building Maintenance to the rate of \$75,750.00 effective upon approval of Civil Service Board. Strike the positions of Fire Captain Fleet Maintenance and Fire Captain Building Maintenance from wage scale.

Union and City to write new job description encompassing both stricken positions. AND SUBMIT TO CIVIL SERVICE BOARD FOR APPROVAL ALONG WITH NEGOTIATED WAGE RATE

TA'd
5/28/09


Existing
Insert before article 51 & 52. & renumber same to
614

UNION BARGAINING PROPOSAL #58 (June 3, 2009)

MUTUAL AND AUTOMATIC AID

Except as expressly stated herein, the City of Grand Rapids retains the right to utilize and/or enter into agreements for automatic and/or mutual aid with other jurisdictions. Local 366 will be afforded the opportunity to meet and confer regarding such agreements prior to signing.

If automatic and/or mutual aid is requested for a multiple unit response (defined as two or more GRFD units) and automatic and/or mutual aid is not released within 30 minutes of arrival on scene or to staff an Engine House, an emergency callback will take place, provided one has not already been carried out, as outlined below. It is understood that the normal staffing of GRFD units for emergency call back would include one (1) Officer; one (1) Equipment Operator; and two (2) Fire Fighters.

When making the required emergency callbacks the appropriate lists will be exhausted, if needed.

If 1-7 Mutual/Automatic aid personnel are utilized for 30 minutes or longer, a minimum of 1 GRFD Emergency Callback Unit shall be called back.

If 8-11 Mutual/Automatic aid personnel are utilized for 30 minutes or longer, a minimum of 2 GRFD Emergency Callback Units shall be called back.

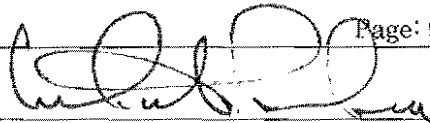
If 12-15 Mutual/Automatic aid personnel are utilized for 30 minutes or longer, a minimum of 3 GRFD Emergency Callback Unit shall be called back.

Etc...

It is understood by both parties that if the need persists for extra personnel on a scene or in engine houses in the aggregate, mutual/automatic aid personnel can remain on scene or in the engine houses so long as there is equal number of GRFD Emergency Callback units utilized in engine houses or on scene as outlined above.

TAD
6/4/09
GWC
SS
for
WJ

DATED: September 12, 2011



Michael P. Long, Chairperson

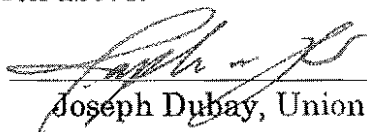
I concur with the stipulations set forth above.

DATED: _____, 2011

Kenneth Deering, Employer Delegate

I concur with the stipulations set forth above.

DATED: Aug 6, 2011



Joseph Dubay, Union Delegate

FINAL OFFERS OF SETTLEMENT

CITY OF GRAND RAPIDS FINAL OFFER OF SETTLEMENT

1. Issue 14. Mandatory Conversion of Existing Employees to RHSA Retiree Health Care Plan. (Economic Issue).

A. Modify Article 25, Section 1, Paragraph C (1) to read as follows:

1. Retiree Health Savings Account (RHSA) for employees hired after July 1, 1999. Employees hired after July 1, 1999 are provided with a defined-contribution retiree health care savings account (the RHSA") in order to pay for retiree health care costs. This account will be funded with an Initial City Contribution for employees hired between July 1, 1999 and June 30, 2010 and with the following ongoing employee and City contributions:

- (a) The employee will make contributions at the annual rate of \$1,000 (\$38.46 gross per bi-weekly payroll).
- (b) The City shall make contributions at the annual rate of \$1,750, payable in biweekly pay period increments (i.e. \$67.30 gross per payroll).

If these employees separate from City employment, they shall, in accordance with IRS regulations and plan provisions, be entitled to receive the initial City

Contribution to their defined contribution retiree health care savings account, the annual City contributions, their annual employee contributions, and all investment earnings from their defined contribution retiree health care savings account when they leave City employment.

For those employees covered by the RHSA, the City will not be required to pay any amount towards the premiums after retirement or other form of separation

from employment, except as otherwise provided in Section 1(B) and (D) of this Article.

B. Add the following Letter of Understanding to the address transitional issues:

1. Transition provisions applicable to active employees who were converted to the RHSA. Employer contributions for active employees who were hired after July 1, 1999 shall be effective the first full bi-weekly pay period after June 30, 2010 or the first full bi-weekly pay period after the issuance of the Act 312 Award, whichever is later. Active employees who were hired after July 1, 1999 shall receive an Initial City Contribution into their Retiree Health Savings Account in the amount set forth on Exhibit A, increased by \$2625. This amount shall be deposited into the employee's RHSA account with MERS as soon as administratively practicable after the issuance of the Act 312 Award. There will be no employee contribution during the first thirteen (13) full bi-weekly pay periods after the date of the Act 312 Award and the employee contribution during the second thirteen (13) full bi-weekly pay periods after the date of the Act 312 Award shall be \$500, payable in bi-weekly pay period increments of \$38.46. The employee contribution thereafter shall be in accordance provisions of the collective bargaining agreement.
2. Transition provisions applicable to employees on layoff. Nathan Brazen, James P. Betz, Bryan M. Blattert, Edward D. Braman, Joshua B. Veldkamp and Winston Wood were employed by the City as firefighters on January 5, 2009 and are presently on layoff status. In the event that any of these employees are recalled as a firefighter, the City will make an Initial City Contribution of \$1750 into the employee's RHSA account with MERS. This Initial City Contribution will be made as soon as administratively practicable after the laid off employee returns to employment as a firefighter. These employees will have no employee contribution during the first thirteen (13) full bi-weekly pay periods after their return to work as a firefighter and their employee contribution during the second thirteen (13) full biweekly pay periods after their return to work as a firefighter shall be \$500, payable in bi-weekly

pay period increments of \$38.46. The employee contribution thereafter shall be in accordance provisions of the collective bargaining agreement.

2. Issue 16. [City Issue] Retiree Health Insurance Premium Sharing. (Economic Issue).

CITY PROPOSAL: Modify Article 25, Section 1, Paragraph C to add new subparagraph 3 to read as follows:

3. Retiree Premium Sharing Amount. The premium sharing amount to be paid by pre-65 retirees not covered by the RHSA shall be the same as paid by active employees, as the same may be changed for active employees from time to time. After exhaustion of RHSA amounts, the premium sharing amount to be paid by pre-65 duty disability retirees covered by the RHSA shall be the same as paid by active employees, as the same may be changed for active employees from time to time.

3. Issue 21. [City Issue] Retiree Health Care Plan Benefits. (Economic Issue).

Add the following to Article 25, Section 1, Paragraph C:

The health care plan for pre-65 retirees will be the same health care plan provided to active employees including deductibles, co-payments, co-insurance, and benefit design changes, as the same may changed for active employees from time to time.

4. Issue 22. [City Issue] Voluntary conversion to RHSA. (Economic Issue).

The City withdraws this issue and proposes that there shall be no voluntary conversion option to the RHSA.

**GRAND RAPIDS FIGHTERS' ASSOCIATION, LOCAL 366, I.A.F.F.,
AFL-CIO FINAL OFFER OF SETTLEMENT**

City Issue: Mandatory Conversion to RHSA (Economic)

The Union's last best offer is to maintain the status quo; no change in the contractual provisions.

City Issue: Floating Retiree Contribution to Health Care Cost (Economic)

The Union's last best offer is to maintain the status quo; no change in the contractual provisions.

City Issue: Floating Retiree Health Care Plan Benefits (Economic)

The Union's last best offer is to maintain the status quo; no change in the contractual provisions.

City Issue: Voluntary Conversion to RHSA (Economic)

The Union's last best offer is to maintain the status quo; no change in the contractual provisions.

The existing contract language for Article 25, Section 1 – Hospitalization is as follows:

ARTICLE 25. INSURANCE & HOSPITALIZATION

SECTION 1. HOSPITALIZATION

- A. Management shall, at its expense, provide a group hospital, medical, surgical insurance policy and dental insurance policy to all employees within the bargaining unit, which shall provide coverage for the employee and the employees spouse and dependents as defined in said policy, provided that the coverage of said policy shall not be less than the coverage of the present policy provided by Management to employees.
- B. Beginning July 1, 1986, the City will pay the medical and hospitalization insurance premiums for an employee who is disabled pursuant to the provisions of the Pension Ordinance until such time as the employee is

eligible for Medicare, or reaches age 65, whichever occurs first. The City will also pay the premiums for the disabled employee's spouse and dependents.

- C. It is agreed that Management will pay the hospitalization insurance premium for the retirees, their spouse and dependents for those years of age of the retiree between 55 and 64 inclusive. In the event the retiree dies after retirement between the ages of 55 and 64 inclusive, the spouse and dependents, if any, will continue to have the hospitalization insurance premium paid by Management until such time as the retiree would have reached age 65. Spouse is understood to be that person to whom the retiree is married at time of retirement. For employees who retire during the period of the contract covering July 1, 2003 through June 30, 2007, vesting in health insurance benefits shall be at the levels negotiated for that contract period.
- D. In the event a person covered by this Agreement dies prior to retirement, Management will pay the hospitalization insurance premium for that person's spouse and dependents until such time as the covered person would have reached age 65. If, however, the spouse remarries or the spouse is covered by another health insurance policy, this provision shall not apply.

DISCUSSION

The current situation is that upon retirement – including pre-65 retirement for Fire Fighters – City employees are continued in the City health insurance program at no cost to the employee/retiree. All three issues that remain to be decided are economic issues brought to the table by the City to relieve the City of providing all or some of these benefits to the employees/retirees.

These City proposed changes can be briefly described as follows:

Issue 14. Retiree Health Care for employees hired before July 1, 2008, but were not vested in a City Pension System as of July 1, 2008.

The City proposes that employees hired before the date of the Act 312 Award who did not have ten years of service in the City defined benefit pension system as of January 1, 2009 shall no longer be entitled to City paid health insurance at the time of their retirement, but shall be eligible only for a defined contribution retiree health care savings account so that they can fund their own health insurance. As the retirement eligibility age for bargaining unit members is 55 years of age, and Medicare under current law does not commence until age 65, the bargaining unit member will need health insurance for coverage between the age of retirement and age 65.

The City offer proposes an Initial City Contribution into the employee's Retiree Health Savings Account that shall be actuarially determined based on the present value of their future benefit as of July 1, 2008. This Initial City Contribution will be the greater of:

- (a) The actuarially determined present value of the accrued benefit multiplied by 90%. This result will be multiplied by a percentage determined by reducing 100% by .60% for each month that the employee is below the age of 55; or
- (b) The actuarially determined present value of the accrued benefit multiplied by 90%. This result will be multiplied by a percentage determined by multiplying the months of service as of July 1, 2008 by one-quarter percent (.25%).

This account would also be funded with ongoing contributions as follows:

- (1) The employee will make contributions at the annual rate of \$1,000 (\$38.46 gross per bi-weekly payroll).
- (2) The City will make contributions at the annual rate of \$1,750, payable in biweekly pay period increments (i.e. \$67.30 gross per payroll).

If these employees separate from City employment, they shall, in accordance with IRS regulations and plan provisions, be entitled to receive the Initial City Contribution to their defined contribution retiree health care savings account, the annual City contributions, their annual employee contributions, and all investment earnings from their defined contribution retiree health care savings account when they leave City employment.

The amounts of the Initial City Contribution and the employees eligible for this contribution were included in an attachment to the proposal.

The City proposal also included a phase-in of Employee Contributions into their defined contribution retiree health care savings account. There will be no employee contribution during the 6 month period after the date of the Act 312 Award; and, the employee contribution during the period from 6 months after the date of the Act 312 Award shall be \$500.

The conversion to the defined contribution retiree health care savings plan shall be effective upon the date of the Act 312 Award and contributions shall begin as of that date.

This program would be mandatory for all Fire Fighters hired after July 1, 2009; therefore, the City has realized its savings for all new Fire Fighters. It is agreed that the new program will not apply to those Fire Fighters with 10 years of more of service (already vested in the current retirement plan). Thus, these proposals would apply to Fire Fighters who have been employed prior to July 1, 2009, have not vested in the retirement plan, but have already earned at least a portion of their retirement health care benefits as part of the existing compensation package. The City's proposal would be funded with an initial city contribution presumably to pay for that part of the retirement health care that has already been earned. For the

future, these non vested, already employed Fire Fighters would contribute \$1,000/year and the City would contribute \$1,750/year for future benefits should they retire between the ages of 55 and 65. Fire Fighters would be entitled to receive initial city contribution and have access to their health savings account if and when they separate from the city under tax and other regulations for such programs. The City will not contribute after retirement. There would be a phase-in period.

Issue 16. Retiree Direct Contribution to Health Care Premium Sharing for employees hired before July 1, 2008 who are vested in a City Pension System as of July 1, 2008 and subsequently retire.

The City proposes to add the following Paragraph B (1):

(1) Retiree Pre-65 Retiree Direct Contribution to Health Care Premium Sharing.

The premium sharing contribution (the "retiree direct contribution") to be paid by pre-65 service and disability retirees, who retire on or after the date of the Act 312 Award, shall be the same as paid by active employees, as the same may be changed from time to time. The pre-65 retiree health care premium sharing payment would be applied uniformly without regard to the category of coverage (i.e. single pre-65 retiree, pre-65 retiree and one dependent and pre-retiree and two or more dependents). Cost would be defined as the blended rate for all active employees and pre-65 retirees. This is referred to as the premium "float" that will adjust for retirees as it does for active employees and keep the pre-65 retirees in the same group as the still employed ("active") City employees.

Issue 21. Retiree Health Care Plan Benefits.

The City proposes to add Paragraph B (6), which states that the health care plan for pre-65 retirees will be the same as provided to active employees including deductibles, co-payments, co-insurance, and benefit design changes, as the same

may changed from time to time. This is referred to as the coverage "float," and provides for pre 65 retirees to be subject to the same plan adjustments as the still employed ("active") City employees.

These issues are economic in nature, and the Act 312 Panel is required to select the offer on each issue that is best supported by the evidence after a review of the statutory requirements of Section 9 of Act 312 as set forth earlier in this decision. The Panel is permitted to determine the weight to be given to each factor.

The City asserts that these changes are needed because the City's financial situation significantly worsened during the period of 2003-2007. This created a "functional budget deficit" meaning that City revenues can no longer pay for the current level of services.

A March 27, 2006 Citizen Budget Advisor's Report recommended that employee benefits costs must be reduced. In implementing this recommendation one of the chief foci of the City was the City's health insurance program that did not require employees or retirees to make any significant contribution towards its costs. The City asserted that changes to the health care plan and the retiree health care program were logical sources of potential savings, because the level of benefits provided by the City were significantly higher than provided by other public and private employers in the Grand Rapids area.

After exploring these issues with all employee groups, the City determined that a direct 10% contribution towards health care premium costs was appropriate and that a defined contribution type retiree health care program under which the City would contribute \$1750 each year combined with \$1000 in yearly employee contributions would provide an appropriate level of City support for the retiree health care needs of its employees. It also concluded that those employees closest to

retirement should have the least changes to their retiree health care expectations and decided to continue to offer a defined benefit type retiree health care program to those employees who had not yet achieved vested status under their retirement system.

The Union addresses Ability to Pay is part of one of the eight factors to consider under Section 9 of Act 312: "The interests and welfare of the public and the financial ability of the unit of government to meet those costs." The Union argues that a fair reading of the statute leads to the conclusion that ability to pay is coupled with, and of equal stature with if not subordinate to, the "interests and welfare of the public." The Union asserts that it is well-established Michigan appellate precedent that ability to pay is only one factor among many that an Act 312 panel is to consider, and it is not to be treated as a controlling or even dominant factor. (*Hamtramck v. Hamtramck Fire Fighters Association* and/or *Detroit v. DPOA*). It goes on to argue that it has been recognized by many Act 312 arbitrators that a municipal employer should not be permitted to treat the economic benefits of its employees as having lesser priority than other municipal concerns, and in effect, expect its employees to subsidize the municipality.

Arbitrator Gabriel Alexander stated:

"Detroit cannot buy coal for its generating plants or salt for its streets for less than the 'going rate' because it is impoverished. Why then should they be able to 'buy' the labor of its policemen for less than the 'going rate' (in statutory words 'just and reasonable') as that rate which shall be fixed by the Panel . . ."
(*City of Detroit and DPOA, 1972*)

Arbitrator George Roumell stated:

"It is as much a part of the City's responsibility to pay reasonable and fair wages as it is to provide reasonable and fair service and capital

improvements. In a final analysis, applying the various factors outlined above as taken from Section 9 of Act 312, the majority of the panel believes that it becomes a question of priority, and that indeed though the financial situation in Southgate is difficult, it is far from hopeless. The order that will be entered here by the majority of this panel may require a re-evaluation of budgetary priorities."
(City of Southgate, 54 LA 901, 909-910, 1970)

Arbitrator Roumell also stated as follows in a more recent case:

"There is little question that comparisons are probably the predominant criteria . . . After all, it is comparisons that cause private employers and unions in the private sector to make decisions as to whether to reach agreement or strike. The ability to pay follows this most closely. The relationship between comparisons and the ability to pay was suggested by Arbitrator Charles C. Killingsworth when serving as the impartial chairman in an early City of Detroit-DPOA panel when he noted that the employer's ability to pay may probably be taken into consideration only within the limits of a 'zone of reasonableness'. This zone is determined by examining wage rates in other cities for similarly situated employees."
(City of Southfield, 78 LA 153, 154-155).

The Union states that the financial condition of Grand Rapids is very strong – stronger than it is for many communities in Michigan. It quotes the January 2010 Mayor's report on the state of the City's finances:

- Grand Rapids is widely recognized as the strongest economy in Michigan
- City continues to enjoy economic development
- Growth in entertainment district, housing, retail is slow but steady
- Growth in education and life sciences are rapidly expanding

From 2000 through 2008, Grand Rapids enjoyed the largest increase in Total Taxable Valuation compared to the historic comparables – 41.5% larger than even Ann Arbor.

The new audit for the most recent fiscal year (ending 6/30/2009) shows the following

- The general fund increased by \$560,000 above what it was a year earlier
- The fund balance is more than double what it was in 1998 (\$19.7 million today vs. \$8.7 million in 1998)
- General fund expenditures have decreased significantly – by about \$4 million from 2008 to 2009
- The fund balance as a percentage of expenditures is better now than it was a year prior and over 50% higher than it was in 1998 (9.6% in 1998, 16.7% in 2008, 17.8% in 2009)
- The City's projections for the fund balance for 2009 was \$14.6 million, when it was actually \$19.7 million
- An additional \$3.2 million has already been transferred out of the fund to the Streets Capital Fund. Otherwise, the fund would be at \$22.9 million

The Union point out that for many years, the City has not paid any contribution to the Grand Rapids Police/Fire Pension fund, due to that fund being over 100% funded – excess funds are used to off-set the employer contribution bringing it to zero. Nonetheless, employees still contributed anywhere from 3.2% to 8.13% during the same period.

The State's employment forecast for 2014 shows Grand Rapids having one of the highest increases in employment (11.5%) (Exhibit U38), and Grand Rapids also has one of the highest bond ratings among larger metropolitan areas in Michigan. The Union asserts that the City relies on the "Citizens Budget Committee" for recommendations, but that the Citizens Budget Committee is not actually comprised of a cross section of citizens, but rather owners and executives of private sector businesses in the city.

On October 14, 2008 in a case involving a non Police/Fire City bargaining unit, a Fact Finder issued Report that indicated as follows:

This Fact Finder's Recommended Settlement recognizes the financial situation of the City and its need to institute cost saving measures in its health insurance and retiree health insurance programs. Transition measures are included to ease the impact of these changes on employees nearing retirement. No wage increase is recommended for the period from January 1, 2007 through the date of ratification and approval by the City Commission due to the City's financial condition. The wage increases recommended for the remainder of the contract period will allow employees to increase their take home pay after factoring in implementation of the new health care contribution.

After review of the Fact Finders Report, the City and the APAGR entered into a voluntary agreement that included the following provisions:

- (1) Health care plan design changes
- (2) 10% employee contribution to the health care plan based upon a blended rate of active and pre-65 employees
- (3) Retiree contribution to the health care plan would float with changes approved for active employees
- (4) Health care plan changes for retirees would float with changes approved for active employees
- (5) Defined contribution retiree health care plan for new employees and for those employees not vested in the retirement plan as of July 1, 2008 with a City contribution of \$1750 and employee contribution of \$1000.
- (6) 2.5% wage increase effective upon ratification, 2.0% wage increase 7-1-2009 and 2.5% wage increase 6-30-2010
- (7) A 1.00% non-compounding pension escalator for employees who retire after 1-1-2010 paid for with increased employee contributions

The GRPOA had previously filed for Act 312 and were in the hearing process at the time. On December 17, 2008, Act 312 Arbitrator Grossman issued his Arbitration Opinion and Award in the GRPOA Act 312 proceeding. This award imposed the City's new defined contribution retiree health care plan for new hires based upon the following rationale:

“The reasons and grounds for acceptance of the City's last best offer on this issue are as follows: The City currently is faced with a \$160 million unfunded liability for retiree health care. Approximately \$50 million is attributed to the police department which would only continue to increase if the City continues to provide and maintain a defined benefit plan for all of this bargaining unit's employees. While presently there is an even division between the 14 comparables, the legacy cost of maintaining a defined benefit program where employer pays the entire cost will drive all of the comparable communities to ending a defined benefit plan as the only plan to provide health insurance for its retirees. The comparable communities will be providing either a defined contribution program or one that will pay a fixed amount as 7 of the comparable communities currently are providing. The City's proposal gradually increases the employee's contribution taking into account the newly hired employee is least able to initially afford to pay \$1,000 per year as the employee's contribution. The employee begins making a \$1,000.00 per year contribution beginning with the employees third year of employment. The time the employee would have received step increases as well as general wage increases. Whether the dollars the employee will have after 25 or 30 years of contribution are as large as portrayed by the City, the money will be invested and managed by the Municipal Employees Retirement System. The employee's contribution is not taxed when the employee makes his biweekly contribution. Once vested, the amounts are transportable even if the employee no longer works for the City. The employee controls the timing of the usage of the funds. Once vested the funds are the employees, the funds can be used for purposes other than health care as well and can be transferred to heirs upon death. The City's supervisory employee unit voluntarily agreed to this defined contribution plan for health insurance of retirees who are hired after July 1, 2008, and this plan has been implemented for the City's non-represented employees.”

In addition, Arbitrator Grossman imposed this new plan on employees who were not vested in the retirement plan based upon the following rationale:

"The reasons and grounds for accepting the City's last best offer on this issue are as follows: There are no constitutional or statutory impediments to doing so. This, like other mandatory issues of bargaining, are subject to negotiations between the parties. The same reasons and basis for deciding disputed Issues 11 and 12 on the basis of the City's last best offer come into play on deciding disputed Issue 14. Having agreed to a defined contribution retiree health savings plan generally and in its application to employees hired after July 1, 2008, Issue 14 is an extension to that group of police officers will the defined contribution retiree health savings plan be mandatorily required to be included. Issue 14 chose those police officers having less than ten (10) years service prior to January 1, 2009, coincidentally ten (10) years is the amount of service needed to have a vested pension. It is eminently clear with the state of the State of Michigan and the nation's economy today and the likelihood the State of Michigan economy will be in the doldrums for the foreseeable future, retiree health insurance plans and programs need to change. Examining the comparable communities, several of the communities' obligation toward their employees' retiree health insurance is less than the City's current obligation and those comparable communities providing defined benefit health insurance plan for their retirees will need to change to some different type of retiree health insurance plan to maintain their solvency.

Unless something is done soon to address this issue the City's legacy costs will continue to grow and will impede the City's ability to provide necessary services to its residents and to provide living wages and benefits to its employees."

Arbitrator Grossman also awarded the City proposal to have the retiree cost for health insurance float with the actives, based upon the following rationale:

"The reasons and grounds for accepting the City's last best offer on this issue are as follows: The Union has already agreed to allow a blending of costs of health insurance for active employees and age pre-65

retirees. As a result of this decision the premium for active employees are already higher. It is neither consistent nor logical to freeze the cost a pre age 65 retiree would pay to what active employees were paying when the police officer retired and at the same time active employees' health premium sharing is going up by a larger amount due to higher cost of providing health insurance coverage to age pre-65 retirees. There would be little incentive for the pre age 65 retirees to do anything to help contain the rising cost of health care."

Arbitrator Grossman also awarded the City proposal to have the health care plan for retirees float with the actives, based upon the following rationale:

"The reasons and grounds for adopting the City's proposal on this issue are as follows: A majority of the panel find significant the City's plan enables and will permit the City to maintain only a single plan for both active and retirees; a majority of the panel finds multiple plans would be inherently inefficient. The retiree's benefits would float with the coverage the active employees receive. Adopting the Union's proposal would likely result in the retirees having better coverage than the active employees. Since the cost of health insurance for the retiree group is higher, but for the fact of blending the cost of retiree health care with active employee health care, retiree health care standing alone would cost more. Another way of looking at this by not having the health care coverage of retirees float with the health care coverage of the active employees it would result in active employees premium rates being even larger. All of the comparable communities have one health insurance plan that covers both its active employees and retirees."

In addition, the award implemented the health care changes, provided increases in the retirement plan and increased wages 2.0% on 12-31-2008, 2.5% on 1-1-2009 and 3.0% 7-1-2009.

The Union vehemently disagrees with the Grossman Award and calls it baseless and unfounded. It argues that the sole reasons cited for his award were (a) his completely speculative prediction that the "comparable communities providing defined benefit

health insurance plan[s] for their retirees will need to change"; and (b) his equally speculative prediction that "unless something is done soon to address this issue the City's legacy costs will continue to grow and will impede the City's ability to provide necessary services." The Union continues that given that Grossman had already awarded the RHSA for new hires, thus terminating through attrition the existing defined benefit, his opinion cites to no evidence whatsoever supporting his speculation that maintaining the current defined retiree health benefit for the relatively small group of Patrol officers having less than 10 years service would have caused any financial hardship for the City. In addition, it is clear from his opinion that he gave no consideration to the inherent unfairness in how the City calculated "present value" and the "initial City contribution", no consideration of whether it amounts to a retroactive reduction in violation of the Act, and no consideration of the deleterious impact on employee morale.

The Union states that the Grossman award,

“... is not only unfounded, but an aberration in the annals of Act 312 decisions. No other Act 312 arbitrator has mandatorily converted current employees to an RHSA, and indeed few employers have even sought to do so. Other than the Patrol Act 312 with Grossman, the only other Act 312 arbitration the Union knows of where the employer sought to mandatorily convert existing employees to an RHSA is City of Battle Creek and Battle Creek Fire Fighters, MERC Case No. L04 G-4005 (issued 4/23/07), wherein Arbitrator Ben Wolkinson awarded the RHSA for new hires, but rejected it for current employees, explaining as follows:

In this instance, I find it reasonable to differentiate future hires from current employees, who arguably began employment with the expectation of having City-funded health insurance benefits available. Future hires will know exactly what to expect in terms of City support for their retiree health insurance from the time they hire in.

Therefore, these new firefighters will be able to plan for the anticipated future expense for retiree health insurance." Id. at 14."

The Union asserts that there is no reason for the Panel to treat the GRFFU the same as the Police unions, for any or all of the following reasons:

- The undisputed testimony of GRFFU President Joe Dubay was that there has never been any kind of parity or even pattern relationship between the fire union and the police unions, and there have been long-standing historical differences in their compensation and benefits. In key areas such as base wages, holiday pay, work hours, and pension there have been long-standing differences between the GRFFU and the Police units. The Union continues that moreover, even as to changes put into place in their new agreements commencing 2007, there are significant differences which already exist; thus, to award the Union status quo on the three remaining issues would simply be a continuation of differences that already exist.
- The Police unions for more than 20 years have enjoyed the benefit of being able to retire at age 50, whereas the Fire members cannot retire until age 55. This is a historical difference which still exists and has been continued into the new agreements commencing 2007. It should also be noted that the GRFFU has made bargaining proposals over the years for the age 50 retirement, but the City has always refused to extend it to the GRFFU, and the GRFFU did not prevail when it sought the benefit in Act 312 arbitration.
- The Union asserts that not only has this caused the pension benefit for the Police unions to be more beneficial to Police for many years, it likewise has

caused the retirement health benefit for the Police unions to be more costly to the City for many years. As admitted by City witness Childers, because a police officer retiring at age 50 will receive the retiree health benefit for 15 years up to age 65, compared to a fire fighter's receipt of the retiree health benefit for just 10 years from age 55 to age 65, this makes the Police unions' defined retiree health benefit 50% richer and more costly to the City than it is for the GRFFU members.

- The City proposes that the mandatory RHSA for current employees, as well as the new "float" provisions for retiree health, be imposed on the Fire unit the same as for the Police units, yet the City's Final Offers of Settlement include no proposal to provide the Fire unit with pension and retiree health benefits at age 50 as enjoyed by the Police unions. In short, the City urges the Panel Chair to slap the GRFFU with the same reductions as the Police unions in the area of retiree health benefits, but makes no provision to overall equalize pension and retiree health benefits by giving the Fire union the same age 50 benefit that the Police unions enjoy.
- In the new agreements commencing 2007, the Police unions will enjoy higher wage increases than will the GRFFU members. As shown in Union Exhibit 62 and as related by Union President Dubay, under the new police and fire contracts for the term commencing July 1, 2007:
 - For year 2007, the GRFFU received only 2.0%; the Patrol members received 2.0% plus another 1.25% (= 3.25% total) for Police Officers and another 1.75% (= 3.75% total) for Sergeants.
 - For year 2008, the GRFFU received the same 2.5% increase as the police units.

- For year 2009, the GRFFU received only 3.0%; the Patrol members received 3.0% plus another 2% (= 5.0% total) for those having 10 years of service or more.
- For 2007 - 2009, the Police Command unit received not only the same percentage wage increases as the GRFFU, but also an additional \$2,500 bonus not given to the GRFFU members.
- In the new agreements commencing 2007, the Police unions will enjoy the newly-increased 2.8% multiplier for retirements occurring after June 30, 2010; for the GRFFU it will not apply until retirements occurring after June 30, 2012.
- In the new agreements commencing 2007, the Police unions obtained five new tiers under which the employee pension contribution will be reduced further in the event the pension system reaches various funding levels between 115% and 135% or more; for the GRFFU the last tier is at 115% funded, with no further reductions in the employee pension contribution for funded levels between 115% and 135% as for the police unions. For the GRFFU, the lowest possible employee pension contribution is 3.2%; for the Police unions, it is 2.02% for Patrol and 2.37% for Command.
- As testified by both City witness George Childers and Union President Dubai, for not only the Police units, but all the other City units as well, the imposition of the mandatory RHSA on current employees included a voluntary RHSA conversion option for current employees as well. In this proceeding for the GRFFU, the City has withdrawn its earlier proposal of a voluntary RHSA conversion option for the GRFFU as well, yet the City persists in seeking to impose the mandatory RHSA on current employees of the GRFFU. Thus, the City in this proceeding for the GRFFU is not even

offering the same RHSA program for current employees (including both a mandatory and voluntary feature) that applies in the other City bargaining units. For this reason alone, the City's LBO on the RHSA for current employees must be rejected.

The Union asserts that it has already agreed to a number of substantial reductions in health insurance benefits applicable to both active employees and retirees, namely, plan design changes which reduced the City's costs by 8%, and also a new 10% employee and retiree contribution to health insurance costs, thus bringing the total City savings to 18%. Further, the new 10% contribution that active employees and retirees will make towards their health insurance costs is far greater than any contributions being made by employees or retirees in the comparable fire departments. The Union has also already agreed that new hires will be covered by the RHSA program, and not the defined benefit retiree health benefit, which will now be phased out through attrition.

The Union argues that the comparability evidence overwhelmingly supports the Union's Final Offers of Settlement for status quo. It states that the proofs show that, with the limited exception of Muskegon, none of the historic seven comparables provide for retiree health benefits to float with the actives or otherwise be subject to change post-retirement. In Muskegon, it was recently agreed in 2007 that for new hires only after May 2007, their retiree health plan will float, but even those new hires when retired will not be required to contribute to premiums at all, as do the actives.

The Union points to the City's proposed comparables, and asserts that they also overwhelmingly support the Union's Final Offers of Settlement for status quo. Neither Jackson, nor Norton Shores, nor Plainfield Township, nor Holland, nor Kentwood contain the type of language such as that proposed by the City. Kalamazoo provides only for a capped floating of premium, much more limited than

what the City proposes in its Final Offers of Settlement; Kalamazoo provides that retirees will pay the same premium contribution as actives, but in no event more than 50% above what the retiree last paid when last employed as an active. Of all the Union and City proposed comparables, only one, Wyoming, contains float language similar to what the City proposes in its Final Offers of Settlement.

The Union goes further and states that in examining the comparability evidence, it is evident that the retiree health benefit currently provided by the City of Grand Rapids is already less than that of the comparables. In virtually all seven of the Union-proposed historic comparables, the employer-funded retiree health benefit is paid from retirement until death of the employee and spouse while the GRFFU benefit is a mere 10-year maximum benefit from retirement age of 55 or later to age 65/Medicare. In six of the seven Union-proposed historic comparables, the employer pays 100% the cost of the retiree health benefit until death of the retiree and spouse. In the seventh, Battle Creek, retirees pay only 2.5% of their pension benefit with the employer paying the rest. Among the eight City-proposed comparables, seven of the eight provide for employer-funded health insurance for retiree and spouse until death, with six of the eight being 100% or nearly 100% paid by the employer.

The Union adds that because of the physical demands of the job, to have members keep working into their later years is a negative for the members and the City, because it will lead to greater risk of injuries, and more and longer periods off work to recover from injuries.

The Union argues that there is an important fact which distinguishes this Act 312 case from the Patrol Act 312. In the Patrol case, the Patrol Union's Final Offer of Settlement was to fix the retiree's health contribution at the dollar amount that was in place on the retiree's last day of active employment, and the Panel opted for the

City's Final Offer of Settlement over the Union's Final Offer of Settlement. In this case, the Union's Final Offer of Settlement for "status quo" includes the newly negotiated requirement that future GRFFU retirees will pay 10% of their retiree health care "premium" costs, whatever that may be from one year to the next.

In the Police Command unit, the proofs show that the Police Command tentative agreement that was ratified does not provide for their retiree health benefits to float with the actives or otherwise be subject to change after retirement.

The Union argues that there is an inherent inequity in linking retiree health benefits for those who are already retired and thus no longer in the bargaining unit with active employees who are in the bargaining unit. Because the already retired persons are not in the bargaining unit, the Union has no duty nor even the legal right to represent them; the Union's sole duty and sole right under the law is to fairly represent the active employees. The problem is that the interests of the active employees and the already-retired people could be distinctly different and in opposition to one another. Active employees might agree to increases in the employee percentage contribution above the existing 10%, or agree to increased co-pays, deductibles, or co-insurances which members must pay out of pocket, with a tradeoff such as a greater wage increase or other benefit improvement that only the actives will enjoy and not the retirees. These tradeoffs would not be available to the retirees.

The Union states that at least two Act 312 Arbitrators in recent cases have rejected employer float proposals such as that proposed in the City's Final Offers of Settlement. In a recent decision by Act 312 Chairman Donald Sugerma in Shelby Township and Shelby Township Fire Fighters, MERC Case No. D03 K2611 (dated 9/26/07), the panel considered a much more limited form of retiree health float under which the employer proposed that retiree prescription co-pays (only) be

subject to change after retirement in accord with changes made for the active employees. As stated by Panel Chairman Sugerman:

"Be that as it may, there is no basic support among the comparables for Shelby's proposal. The fact that health costs are generally on the increase, and that municipal governments have not adequately considered and accounted for these costs, will not change the outcome."

More recently, Arbitrator Benjamin Kerner in City of Birmingham and Birmingham Fire Fighters, MERC Case No. D07 C-0591 (dated 8/11/09), considered an employer proposal for deductibles, co-insurance, and co-pays to change post-retirement with changes for the active employees. Arbitrator Kerner rejected the proposal, noting the Union's argument that "under the City's proposal, retirees will be at the mercy of future collective bargaining, including the possibility that active employees will trade off increases in deductibles or co-insurances for a wage increase", and also noting the absence of external comparability support for the employer's proposal.

The City's Proposed Comparables are:

Kentwood	Muskegon	Wyoming
Flint*	Holland	Jackson
Lansing	Saginaw*	Norton Shores
Plainfield Twp	Battle Creek	

*Flint and Saginaw are only to be used if cities outside of Western Michigan are considered.

The GRFFA Proposed Comparables are:

Ann Arbor	Lansing	Saginaw
Battle Creek	Muskegon	Flint
Pontiac		

The parties submitted evidence and briefs regarding comparables. As is indicated by the lists above, the Union referenced the historic comparables while the City sought to modify the comparables. Given the limited number of remaining issues to be decided, and given that under the circumstances of this case in relation to the issues to be decided, it is not necessary for the panel to make a definitive ruling on comparables as they may be used in the future.

Under the existing retiree health benefit in Grand Rapids, the City-funded benefit terminates completely when the retiree reaches age 65 or Medicare eligibility, whichever occurs first. Thus, the existing City-funded retiree health benefit is at most a 10-year City obligation, running from age 55/retirement to age 65/Medicare. In virtually all of the seven historic comparable fire departments, the employer-funded retiree health benefit is paid from retirement until death of the employee and spouse - thus making the employer funded retirement benefit in those communities one that endures past Medicare eligibility for up to 30 years or more.

Under the existing retiree health benefit in Grand Rapids, during the 10 year (or less) period from age 55/retirement to age 65/Medicare eligibility, under the new concessions voluntarily agreed to by the parties, the City will pay only 90% of the cost - less than any of the comparables. Six of the seven traditionally comparable communities pay 100% of the cost, and in the seventh - Battle Creek - the City pays the entire cost less only the 2.5% of pension benefit retiree contribution.

The existing retiree health benefit that is funded by the City of Grand Rapids is less than that of six of the eight additional communities proposed by the City as comparable:

- Jackson pays 100% of the retiree health benefit for retiree and spouse until death, converting to a Medicare supplement plan at age 65;
- Kalamazoo pays all of the retiree health benefit for retiree and spouse but for \$103/month paid by the retiree;
- Norton Shores pays 100% of the retiree health benefit for retiree and spouse until death, converting to a Medicare supplement plan at age 65;
- Plainfield Township pays 100% of the retiree health benefit for retiree and spouse until death;
- Portage has a trust fund solely funded by the employer that pays until death of the retiree and spouse;
- Wyoming pays a stipend equal to \$20xyears of service/month until age 60, but then at age 60 pays 100% of the retiree health benefit for retiree and spouse until death.
- Holland, depending on the longevity of the retiree and spouse, may also pay more than does Grand Rapids for its existing benefit, inasmuch as the \$500/month paid by Holland is paid from retirement until death of the retiree and spouse.
- Kentwood, one of the City's proposed comparables, has a lesser employer-funded retiree health benefit than that currently provided by Grand Rapids.

The Union asserts that as demonstrated by these comparables, the Section 9(d) comparability evidence overwhelmingly supports award of the Union's Final Offer of Settlement for retention of the current retiree health benefit for all.

There was much argument concerning whether other City bargaining units are "comparables" within the meaning of Section 9 of the Act, in accordance with Michigan law.

While there may or may not be a requirement that the other City units be considered as comparables under Section 9 (d) of the Act, Section 9 (h) allows for the consideration of

"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."

There is no need to make a determination regarding the issue of whether the other City bargaining units may be considered under Section 9(d) as it is clear that they can be considered under Section 9(h). In addition, the statute states that "Each of these factors must be considered by the Act 312 Panel, but it is permitted to determine the weight to be given to each factor." Such was done in the determination made in this case. While the award is not solely based on what other employees get either in the City or in what may be deemed "comparable" communities, it is based in a broad sense on the same body of evidence that affects other units of the same employer. Increases or cuts in those units can well affect the circumstances affecting the unit in question. Continuity may or may not be justified by the facts as they pertain to each unit, and a decision must be made considering all the evidence that is relevant.

The City of Grand Rapids is located in Kent County and its 2000 census population of 197,800 makes it the second largest city in Michigan. The City is part of the Grand Rapids-Muskegon-Holland CSA, which is comprised of the Grand Rapids-Wyoming Metropolitan Area, the Holland-Grand Haven Metropolitan Area, the

Muskegon-Norton Shores Metropolitan Area and the Allegan Micropolitan Area. The City operates under a commission/manager form of government, by which the City Manager is appointed by the City Commission and serves as its chief administrative officer. The City Manager's Letter explaining the state of the city and budget asserts that a 6.4% reduction in total employee compensation is necessary to balance the budget. Current proposals represent less than a 5% reduction. Budget deficits led to the layoff of (police and) fire fighters in 2009, and the budget deficit continues to increase.

Many new buildings in the city are either government properties or are in renaissance zones, and will not pay any taxes in the near future, although they are entitled to City (including Fire Fighter) services. The city must fund the accounts for retiree benefits as the services are provided, and not use those funds for current operating costs under the provisions of the Michigan Constitution. The City asserts that other city employees have accepted changes to the retiree health care plan, and no one group should have significantly better benefit packages than another.

The City among a number of things maintains a system of roads; provides water, sewer and garbage services; provides regulation of planning and zoning matters; provides recreational facilities; and protects the safety through police, fire and emergency dispatch services. It is in the interests and welfare of the individuals living and working in the City that these services are provided at adequate levels to ensure that they are safe in their community, and that their community can operate in an efficient manner. The cost to provide these services has been escalating over the last several years, and the City has been required to recognize its obligation to fund legacy costs associated with the retiree health care program. At the same time, the revenues available to the City to pay for those services had remained stagnant or decreased during the period of the contract in question. While the FY 2008 adopted budget reflected an operating deficit in excess of \$5 million, the FY

2009 General Operating Fund Adopted Budget was balanced and reflected a slight year-end surplus.

Several exhibits that show building projects are still under way in downtown Grand Rapids were submitted into evidence. The City indicates that these projects will not bring any quick resolution to the City's financial difficulties, since many of these projects belong to governmental entities, which do not pay property taxes, and others are in tax exempt renaissance zones that will not allow additional taxes to be received for many years.

The City notes that GRFFA also contends that the City does not need to make payments towards its \$160,000,000 unfunded accrued liability for the current retiree health insurance program, and that continuation of the present pay as you go system would allow the City to use those funds to maintain their current level of benefits. The City argues that GRFFA is technically correct in its contention that GASB does not mandate pre-payment of these costs, but it fails to recognize the public policy considerations and increased costs associated with not prefunding retiree health care costs.

The City argues that retiree health coverage is very similar to retirement benefits, since it is a contractual benefit that is paid in consideration of prior active service. The City says that the cost of retirement plans is required by the Michigan Constitution to be funded in the year of service in order that the benefits received from that service will be paid by the citizens who actually received that service. The City states that individuals who are protected by the Grand Rapids Fire Department in 2007-2010 should pay the full cost for that protection, which requires pre-funding of the current service component of any retiree health care program. The City states that its decision to fund 75% of these costs covers the amounts attributable to current employees, and it is being retained in separate fund

so that this money will be available to pay for these benefits when current employees retire rather than being used to fund current salaries and benefits. The City states that this will be reflected in lower than projected City income tax revenues. The City indicates that GASB was adopted in recognition of the importance of requiring prefunding, and that the City should not shift this cost to future generations. It states that the investment power of compounding interest makes pre-funding less costly than a pay as you go system; the 30 year amortization period on the GASB prefunding amount corresponds to the normal work life of a fire fighter; and the 75% prefunding means that the City will have to use a partial pay as you go system for current retirees during the maximum period of 15 years in which they can draw retiree health care benefits.

The GRFFA contends that the City does not need to make payments towards its accrued liability for the current retiree health insurance program, and that continuation of the present pay as you go system would allow the City to use those funds to maintain their current level of benefits. It is true that governmental accounting standards (GASB) do not mandate pre-payment of these costs. The City states that this position fails to recognize the public policy considerations and increased costs associated with not prefunding retiree health care costs. It states that retiree health coverage is very similar to retirement benefits, since it is a contractual benefit that is paid in consideration of prior active service. The City contends that the cost of retirement plans is required by the Michigan Constitution to be funded in the year of service in order that the benefits received from that service will be paid by the citizens who actually received that service, and that the individuals who are protected by the Grand Rapids Fire Department in 2007-2010 should pay the full cost for that protection, which requires pre-funding of the current service component of any retiree health care program. The decision to prefund GASB costs has been adopted by Kent County, Ottawa County, Kalamazoo County and the City of Kentwood.

The City states that it must continue funding the cost to provide retiree health care benefits to current retirees and to fund the future cost of these benefits for current employees, and these funds cannot be diverted to pay for current operating costs. The City's fiscal situation is not unique, since virtually all communities are facing difficult financial stress due to increased costs and declining economic conditions. The City's financial situation requires that changes must occur to the fringe benefit package provided to City employees to avoid jeopardizing the City's ability to deliver necessary services, even though such would constitute a substantial reduction in compensation to the employees.

The Citizen Budget Advisor's Report of March 27, 2006 concluded that the City's fringe benefit programs should be benchmarked with that of other similarly situated public and private entities. To that end, the City secured the Employer's Association 2008 Health Care Cost survey on the fringe benefits paid within the Grand Rapids-Muskegon-Holland CSA. The City had the Employer's Association also perform a job survey of City jobs that are also performed in the private sector. This survey did not include fire fighters since there is no direct private sector comparable position. The following communities were chosen by the City as "comparable: Kentwood, Holland, Muskegon, Jackson, Wyoming, Lansing, Flint, Saginaw, Norton Shores, Plainfield Township, and Battle Creek.

The City argues that this information is significantly less important than a comparison to other City of Grand Rapids employees who have already accepted changes in the retiree health care plan, because all City employees perform valuable functions and no City employee group should be provided with benefit packages significantly better than the other groups. Accordingly, the Act 312 panel should be strongly guided by the voluntary settlements achieved with the APAGR,

the GREIU, the POLC, Teamsters Local 406 and the Act 312 Awards issued to the GRPOLC and the GRCOA, since there are no "special circumstances" that require fire fighters to be treated better than other City employees.

The City's study shows that during the period of the survey most employees in the CSA were paying at least 20% of their health insurance costs and 83% had no employer provided retiree health insurance coverage. The City concluded that the fringe benefit package currently received by Firefighters is substantially above that which is received by individuals residing and working in Grand Rapids. Thus, the Citizen Budget Advisors recommended the City realign employee compensation levels through benchmarking benefit levels, sharing of health care benefit costs, controlling health care benefit costs and controlling pension benefit costs. The Citizen Budget Advisors did not believe that it was appropriate to provide City employees with wages and benefits significantly higher than those received by the citizens who pay for the services provided by the City through their tax and fee payments.

The Union asserts that the work performed by the GRFFU members is ranked as the second most stressful occupation in the United States. In the six-year period from 2002 to 2008, the number of fire suppression employees dropped from 243 to 214, while the number of runs increased from 17,484 to 20,098 - representing a 30.6% increase in workload as measured by the ratio of runs/suppression employees. Workload and stress have increased even more since 2008, inasmuch as staffing is now down to 198. The Union asserts that not only does the work of a GRFFU member involve a significant risk of physical injury and death, it also involves a significant risk of developing cancer due to the exposure to smoke and toxins; the Union referenced studies that show that fire fighters are twice as likely to get cancer than is the average person.

The Union asserts that it has already made a number of concessions as part of the new contract with the City, which has resulted in substantial cost savings for the City, including in the area of health benefits:

1. The Union has agreed to a variety of plan design changes which have decreased the City's health costs for both actives and future retirees by 8% from the prior year. In addition, both employees and future retirees will now be paying 10% of their health costs. The Union asserts that these two recent concessions in health care have produced a total cost savings of 18% for the City, applicable to both active employee and retiree health costs. The Union states that these are not just short-term reductions in the City's health costs — they are concessions which will produce cost savings for the City in health benefits year after year. Furthermore, the new 10% employee and retiree contribution to health costs — amounting to \$1,554/year for 2010 — makes the GRFFU employee and retiree contribution to health costs virtually the highest among active employees and among retirees in the comparable fire departments. The Union points to the exhibits in stating:
 - In the seven historic comparable fire departments, four have 100% employer paid health insurance, and of the three that have any active employee contribution to health insurance, all at fixed dollar rates (not a % as for the GRFFU) with the highest being \$1,500/year (fixed, in Pontiac) compared to GRFFU's \$1,554/year (for 2010, and subject to increase) under the new 10% provision.
 - In six of the seven historic comparable fire departments, retirees pay nothing for their retiree health insurance with the employers paying the entire cost; and in the seventh, Battle Creek, members while actively employed contribute 3% of their pay into a fund and once retired pay 2.5%

of their pension benefit into a fund. In contrast, GRFFU retirees will now be paying 10% of their health cost up to age 65/Medicare, at which point they (as before) will be responsible for paying the entire amount of their health care cost less only whatever supplement they might receive from the trust fund, which in 2009 paid only \$140/month.

The Union argues that because the City has already obtained by way of the Union's voluntary agreement far greater contributions from employees and retirees to help fund their health costs than is found in any of the historic comparable fire departments, there is simply no reason or justification for making the further drastic reductions that the City is proposing to institute under the remaining issues in this proceeding.

2. The Union has voluntarily agreed that new hires will no longer be covered by the existing defined retiree health benefit, but will instead be covered by the RHSA. Thus, to the extent the existing benefit can even be regarded as a "legacy" cost when it is a benefit that in no event is ever paid by the City for more than 10 years from the time of retirement (which for the GRFFU, unlike the Police units, is age 55) until age 65 or Medicare, the existing benefit is now going to be phased out and terminated over time. The Union indicates that this was a significant concession which the Union agreed to make only very reluctantly, since it means splitting the bargaining unit into the "haves" and the "have-nots;" however, new hires will know what to expect when they agree to accept the job with the GRFD.
3. While the new agreement commencing 2007 includes a new pension cost of living adjustment (COLA) provision, this was a 'no cost' item to the City because as part of that change, the GRFFU agreed to give up the 13th check benefit previously in place. The parties' written agreement itself states that

this change replacing the existing 13th check benefit with the COLA provision is "cost neutral" based on the actuarial costing that was done.

4. When layoffs occurred in late 2009, the Union voluntarily agreed that its members will pay for nearly the full cost over the next 3 years of a one-time early retirement window that was offered in December 2009 to encourage more senior members to retire then so that laid off members could be recalled in their stead. The cost to the members is about \$600/member for each of the three years following the agreement, in addition to the existing employee pension contribution. Notwithstanding the early retirement window funded by the Union members so that some laid off members could be recalled, the GRFFU bargaining unit has suffered an overall loss from about 250 members twenty years ago, to about 220 members before the 2009 layoffs, to just 198 members at the close of the Act 312 hearing.

The Union asserts that the method by which the City calculated Present Value of Accrued Benefit, and then from that the Initial City Contribution, is inherently flawed and inequitable; and in addition, it amounts to a retroactive reduction in benefits which cannot lawfully be awarded by the Panel.

The City's Final Offer of Settlement provides that the initial City contribution to the RHSAs will be the lump-sum Initial City Contribution amounts as shown on City Exhibit 38, plus an additional \$2,625. Although the additional \$2,625 makes up for 18 months of lost on-going employer contributions of \$67.30 every bi-weekly payroll for a period of 18 months, covering the period January 1, 2009 through July 1, 2010, this does not correct the undervalued Present Value and lump-sum Initial City Contribution figures which were based on service and age only through July 1, 2008, instead of through January 1, 2009. The amount of the Initial City Contribution to the RHSA accounts is the most substantial portion of the RHSA

accounts, of far greater value than the on-going employer contributions of just \$1,750/year;

The Union argues that it is grossly inequitable to base the Present Value and in turn, the very important Initial City Contribution amount, on a calculation that does not give service and age credit through January 1, 2009. This means that the Present Value, and in turn the Initial City Contribution amounts, do not even represent a value as of January 1, 2009; they represent a lower value as of July 1, 2008, and yet the City's Final Offer of Settlement makes no provision for any retroactive on-going employer contributions to cover this gap between July 1, 2008 and January 1, 2009.

The Union asserts that not only is this grossly inequitable, it also means that the City Final Offer of Settlement amounts to an illegal retroactive reduction in benefits. The Union indicates that Section 10 of Act 312 permits only "increases in rates of compensation or other benefits" to be awarded retroactively, and the Michigan Court of Appeals has held that this statutory provision prohibits retroactive benefit decreases. *Ottawa County v. POAM*, No. 276669 (published 12/11/08); *Flint Professional Firefighters Union v. City of Flint*, No. 244953 (6/17/04). The Union says that by failing to include in the Present Value of Accrued Benefit, and thus likewise failing to include in the Initial City Contribution, the additional value of the existing retiree health defined benefit for service accrued and age attained after July 1, 2008 - while at the same time failing to provide for on-going employer contributions to the RHSA retroactive to July 1, 2008 - the result is a Final Offer of Settlement which would impose a retroactive reduction in benefits which cannot be lawfully awarded under the Act.

The Union asserts that the method by which the Initial City Contribution amounts were calculated for the GRFFU was not the same as was done for the Police units,

and resulted in lower Initial City Contribution amounts for GRFFU members than would have applied were they in the Police units. The initial City Contribution amounts were calculated from the Present Value figures, as follows: the Present Value figure from actuary (Wiener) (based on age and service only through July 1, 2008) was first reduced by 90% to reflect the new 10% contribution to health costs that retirees will now make under the new agreement. Following the 90% reduction, then another reduction in the Present Value figure was applied in City Exhibit 38 (the exhibit attached to the City's Final Offer of Settlement), using either an age or service reduction in the computation of the Initial City Contribution - for service, reducing by a percentage of actual years of service through 1/1/09 relative to 25 years service; or for age, reducing by .6% for each month that age as of 1/1/09 was below age 55. City witnesses could not say for which members the age reduction was used, and for which the service reduction was used, because this was allegedly done by the computer automatically picking the lesser of the reductions.

It was undisputed that because Police enjoy age 50 retirement (versus age 55 for GRFFU), this caused the age reduction to be greater for a GRFFU member than for a similarly situated Police member having the same age and years of service, thus leaving the Police member better off under the Initial City Contribution formula. The Union argues that over the course of many years, the City has denied and successfully defeated the GRFFU's efforts to obtain age 50 retirement for themselves, a pension and retiree health benefit, which the police unions have enjoyed for at least 20 years. The Union states that as a result the City has enjoyed significant cost savings over the years, but now the City now would have this panel impose upon GRFFU members a mandatory RHSA conversion under which members will receive a lesser City Initial Contribution, and thus end up at retirement with a lesser RHSA account, than would be the case had they been employed as Police members instead.

The Union asserts that an additional way in which the City's Final Offer of Settlement constitutes a retroactive reduction in benefits which cannot be lawfully awarded under the Act is the 90% reduction in Present Value that was taken in calculating the Initial City Contribution amounts. The Initial City Contribution amounts were calculated from the Present Value figures, as follows: the Present Value figure from Wiener (based on age and service only through July 1, 2008) was first reduced by 90% to reflect the new 10% contribution to health costs that retirees will now make under the new agreement. This reduction by 90% in effect applied the new 10% retiree health contribution to years of service from date of hire, even though the new 10% retiree health contribution just came into effect. Under all the past years that GRFFU members served the City, they earned the defined retiree health benefit without the liability of any 10% retiree health contribution. Had any of them suffered the misfortune of going off on a disability retirement, they would have received the full retiree health benefit. The critical impact of the Present Value of Accrued Benefit figure is that it forms the basis of the City Initial Contributions to the RHSA accounts, and the City Initial Contributions to the RHSA accounts is the most substantial piece. Yet under the City's calculation for the Initial City Contribution, instead of crediting the member the full true value of the Present Value of the Accrued Benefit, the City's Final Offer of Settlement reduced it by a factor of 90%, which in turn reduced the City Initial Contribution that was calculated from it. The Union asserts that by calculating the City Initial Contributions based on just 90% of the Present Value of Accrued Benefit amounts, instead of 100% of the Present Value of Accrued Benefit amounts, the City Final Offer of Settlement is not only grossly inequitable but amounts to a retroactive reduction in benefits which cannot lawfully be awarded.

The Union argues that there is not equity or justice in the City's method of mathematical computation. Because of differences in age at which members were

hired, their Initial City Contribution will be higher or lower, even if they have the same amount of service to the City. The Union demonstrated a range of variation in the Initial City Contribution amounts for each class of employees who were all hired the same date, and between classes:

- In the class hired 1/29/01, R would receive an initial City contribution of only \$29,555, while F hired the same day would receive an initial City contribution of \$56,197.
- In the class hired 5/27/03, D would receive an initial City contribution of only \$19,162, while G hired the same day would receive an initial City contribution of \$30,212, which is more even than R who was hired two years earlier in the class of 1/29/01.
- Member C, hired 5/28/04 - after the classes of 1/29/01 and 5/27/03 - receives a significantly larger initial City contribution of \$156,331.
- In the class hired 11/29/04, Mu would receive an initial City contribution of \$13,454, while Ma would receive an initial City contribution of \$20,198, which is more than D, Br, or Bo hired one year earlier in the class of 5/27/03 would receive.

The Union states that this flaw that permeates the entirety of the City's Final Offer of Settlement is that it purports to calculate a dollar value for the existing retiree health benefit, which does not have a dollar value. The existing retiree health benefit has value, to be sure, but it is impossible to calculate what the dollar value of this defined benefit is, inasmuch as it remains to be seen when a member retires, how long he lives after retirement, whether he has a living spouse or not after retirement, and what the "Premium" cost of the City's self-insured health plan will be during his pre-Medicare years of retirement. This is what makes it a "defined benefit" type of benefit as opposed to a "defined contribution" type of benefit. And this is why it is inherently unjust to remove current employees from the existing

retiree health benefit, and to mandate them into the defined contribution RHSA benefit -- The Union asserts that there is simply no fair way to do it.

The Union argues that the City's proposed RHSA conversion for current employees amounts to a substantial decrease in their retiree health benefit, and will fall far short of what will be needed to pay for retiree health, as well as leave them in an inequitable position relative to one another.

The Union submitted Exhibit 80, focusing on those GRFFU members who will fall under the City's Final Offer of Settlement because they were hired after July 1, 1999, the first of those who will reach retirement eligibility are as follows:

- F, who if he retires at age 57 in 2019 with 18 years of service, will have an RHSA of \$103,289 (into which an initial City contribution of \$56,197 was made), which will be short of what his projected pre-Medicare health benefit will cost by \$82,267.
- G, who if he retires at age 57 in 2022 with 19 years of service, will have an RHSA of \$86,418 (into which an initial City contribution of \$30,212 was made), which will be short of what his projected pre-Medicare health benefit will cost by \$116,342.
- S, who if he retires at age 57 in 2024 with 23 years of service, will have an RHSA of \$113,589 (into which an initial City contribution of \$43,152 was made), which will be short of what his projected pre-Medicare health benefit will cost by \$101,519.

G retires with just one more year of service than F, yet he is left with a shortage to cover somehow that is nearly 50% greater than F's shortage.

Even though S will retire with 23 years of service - more than F who would retire with just 18 years of service - S has a shortage of \$101,519 to cover somehow, while G has a shortage of \$82,267.

- M, who if he retires at age 57 in 2025 with 21 years of service, will have an RHSA of \$85,364 (into which an initial City contribution of \$20,198 was made), which will be short of what his projected pre-Medicare health benefit will cost by \$136,198.
Even though M retires with more years of service than F or G, he is left with a shortage that is substantially greater - over 50% greater than F's shortage.
- Mac, who if he retires at age 57 in 2025 with 22 years of service, will have an RHSA of \$97,338 (into which an initial City contribution of \$27,661 was made), which will be short of what his projected pre-Medicare health benefit will cost by \$124,224.
Even though Mac retires with more years of service than F1 or G, he has a substantially greater shortage to somehow cover - about 50% greater than F's shortage.
- Fa, who if he retires at age 57 in 2026 with 23 years of service, will have an RHSA of \$102,728 (into which an initial City contribution of \$20,193 was made), which will be short of what his projected pre-Medicare health benefit will cost by \$125,481.
Even though Fa retires with more years of service than F or G, he has a substantially greater shortage to somehow cover — about 50% greater than F's shortage.
- Ma, who if he retires at age 57 in 2027 with 26 years of service, will have an RHSA of \$125,681 (into which an initial City contribution of \$39,515 was made), which will be short of what his projected pre-Medicare health benefit will cost by \$109,374.
Even though Ma retires with 26 years of service, 8 more years of service than F, Ma has a substantially greater shortage to somehow cover — about 35% greater than F's shortage.

The Union states that the treatment that results under the City's Final Offer of Settlement leaves the affected current employees with a substantial shortage that they must somehow cover after retirement — even though they too will have contributed to the RHSA while employed and will even be paying for 10% of the

City's self-insured "premium" for their retiree health care — because of the inadequacy of the RHSA accounts. In addition, relative to their co-workers, many will be left worse off even though they retired after devoting more years of service to the City.

The Union points to Section 1 of Act 312, which indicates that one of the purposes of the Act is to ensure "the high morale" of police and fire department employees upon whom our safety depends, and who put themselves in harm's way to protect our safety. At the hearings, the Union presented the testimony of eight representative employees who described the negative impact the City's proposal will have on their morale, if awarded. They indicated their disappointment at facing a change in their compensation package that they believe will be to their great detriment. They indicated that have no expectation of being able to make up for the shortage in the cost of pre-Medicare health costs under the City's RHSA proposal, and will no doubt have to work until into their later years, which will subject them to a higher risk of injury and longer recovery periods due to the physical demands of the job and their advancing age.

The Union asserts that whatever the City believes its Final Offer of Settlement is going to save it in money - and that is highly questionable, given that the City's Final Offer of Settlement will require it to come up with Initial City Contribution monies totaling approximately \$1,516,100.00 in one payment out of the General Fund shortly after issuance of the Act 312 award' - it's not worth destroying the morale of the Fire Fighters for it.

The Union addresses Ability to Pay is part of one of the eight factors to consider under Section 9 of Act 312: "The interests and welfare of the public and the financial ability of the unit of government to meet those costs." The Union argues that a fair reading of the statute leads to the conclusion that ability to pay is

coupled with, and of equal stature with if not subordinate to, the "interests and welfare of the public." The Union asserts that it is well-established Michigan appellate precedent that ability to pay is only one factor among many that an Act 312 panel is to consider, and it is not to be treated as a controlling or even dominant factor. (*Hamtramck v. Hamtramck Fire Fighters Association and/or Detroit v. DPOA*). It goes on to argue that it has been recognized by many Act 312 arbitrators that a municipal employer should not be permitted to treat the economic benefits of its employees as having lesser priority than other municipal concerns, and in effect, expect its employees to subsidize the municipality.

Arbitrator Gabriel Alexander stated:

"Detroit cannot buy coal for its generating plants or salt for its streets for less than the 'going rate' because it is impoverished. Why then should they be able to 'buy' the labor of its policemen for less than the 'going rate' (in statutory words 'just and reasonable') as that rate which shall be fixed by the Panel . . ."
(*City of Detroit and DPOA, 1972*)

Arbitrator George Roumell stated:

"It is as much a part of the City's responsibility to pay reasonable and fair wages as it is to provide reasonable and fair service and capital improvements. In a final analysis, applying the various factors outlined above as taken from Section 9 of Act 312, the majority of the panel believes that it becomes a question of priority, and that indeed though the financial situation in Southgate is difficult, it is far from hopeless. The order that will be entered here by the majority of this panel may require a re-evaluation of budgetary priorities."
(*City of Southgate, 54 LA 901, 909-910, 1970*)

Arbitrator Roumell also stated as follows in a more recent case:

"There is little question that comparisons are probably the predominant criteria . . . After all, it is comparisons that cause private

employers and unions in the private sector to make decisions as to whether to reach agreement or strike. The ability to pay follows this most closely. The relationship between comparisons and the ability to pay was suggested by Arbitrator Charles C. Killingsworth when serving as the impartial chairman in an early City of Detroit-DPOA panel when he noted that the employer's ability to pay may probably be taken into consideration only within the limits of a 'zone of reasonableness'. This zone is determined by examining wage rates in other cities for similarly situated employees."
(City of Southfield, 78 LA 153, 154-155).

The Union states that the financial condition of Grand Rapids is very strong -- stronger than it is for many communities in Michigan. It quotes the January 2010 Mayor's report on the state of the City's finances:

- Grand Rapids is widely recognized as the strongest economy in Michigan
- City continues to enjoy economic development
- Growth in entertainment district, housing, retail is slow but steady
- Growth in education and life sciences are rapidly expanding

From 2000 through 2008, Grand Rapids enjoyed the largest increase in Total Taxable Valuation compared to the historic comparables -- 41.5% larger than even Ann Arbor.

The new audit for the most recent fiscal year (ending 6/30/2009) shows the following:

- The general fund increased by \$560,000 above what it was a year earlier
- The fund balance is more than double what it was in 1998 (\$19.7 million today vs. \$8.7 million in 1998)
- General fund expenditures have decreased significantly -- by about \$4 million from 2008 to 2009
- The fund balance as a percentage of expenditures is better now than it was a year prior and over 50% higher than it was in 1998 (9.6% in 1998, 16.7% in 2008, 17.8% in 2009)

- The City's projections for the fund balance for 2009 was \$14.6 million, when it was actually \$19.7 million
- An additional \$3.2 million has already been transferred out of the fund to the Streets Capital Fund. Otherwise, the fund would be at \$22.9 million

The Union point out that for many years, the City has not paid any contribution to the Grand Rapids Police/Fire Pension fund, due to that fund being over 100% funded – excess funds are used to off-set the employer contribution bringing it to zero. Nonetheless, employees still contributed anywhere from 3.2% to 8.13% during the same period.

The State's employment forecast for 2014 shows Grand Rapids having one of the highest increases in employment (11.5%) (Exhibit U38), and Grand Rapids also has one of the highest bond ratings among larger metropolitan areas in Michigan. The Union asserts that the City relies on the "Citizens Budget Committee" for recommendations, but that the Citizens Budget Committee is not actually comprised of a cross section of citizens, but rather owners and executives of private sector businesses in the city.

DECISION

There are three remaining issues to be decided. There were four at the close of proofs, but the City in its Final Offer of Settlement withdrew its Issue 22. Voluntary conversion to RHSA. The Union's position was for status quo, and status quo is the result of the City's withdrawal of the issue.

Decisions regarding the three remaining issues follow.

1. City Issue 14. Mandatory Conversion of Existing Employees to RHSA Retiree Health Care Plan. (Economic Issue).

CITY'S POSITION: CHANGE CURRENT CONTRACT LANGUAGE

A. Modify Article 25, Section 1, Paragraph C (1) to read as follows:

1. **Retiree Health Savings Account (RHSA) for employees hired after July 1, 1999.** Employees hired after July 1, 1999 are provided with a defined-contribution retiree health care savings account (the "RHSA") in order to pay for retiree health care costs. This account will be funded with an Initial City Contribution for employees hired between July 1, 1999 and June 30, 2010 and with the following ongoing employee and City contributions:

- (c) The employee will make contributions at the annual rate of \$1,000 (\$38.46 gross per bi-weekly payroll).
- (d) The City shall make contributions at the annual rate of \$1,750, payable in biweekly pay period increments (i.e. \$67.30 gross per payroll).

If these employees separate from City employment, they shall, in accordance with IRS regulations and plan provisions, be entitled to receive the initial City

Contribution to their defined contribution retiree health care savings account, the annual City contributions, their annual employee contributions, and all investment earnings from their defined contribution retiree health care savings account when they leave City employment.

For those employees covered by the RHSA, the City will not be required to pay any amount towards the premiums after retirement or other form of separation from employment, except as otherwise provided in Section 1(B) and (D) of this Article.

B. Add the following Letter of Understanding to the address transitional issues:

3. Transition provisions applicable to active employees who were converted to the

RHSA. Employer contributions for active employees who were hired after July 1, 1999 shall be effective the first full bi-weekly pay period after June 30, 2010 or the first full bi-weekly pay period after the issuance of the Act 312 Award, whichever is later. Active employees who were hired after July 1, 1999 shall receive an Initial City Contribution into their Retiree Health Savings Account in the amount set forth on Exhibit A, increased by \$2625. This amount shall be deposited into the employee's RHSA account with MERS as soon as administratively practicable after the issuance of the Act 312 Award. There will be no employee contribution during the first thirteen (13) full bi-weekly pay periods after the date of the Act 312 Award and the employee contribution during the second thirteen (13) full bi-weekly pay periods after the date of the Act 312 Award shall be \$500, payable in bi-weekly pay period increments of \$38.46. The employee contribution thereafter shall be in accordance provisions of the collective bargaining agreement.

4. Transition provisions applicable to employees on layoff. Nathan Brazen, James P. Betz, Bryan M. Blattert, Edward D. Braman, Joshua B. Veldkamp and Winston Wood were employed by the City as firefighters on January 5, 2009 and are presently on layoff status. In the event that any of these employees are recalled as a firefighter, the City will make an Initial City Contribution of \$1750 into the employee's RHSA account with MERS. This Initial City Contribution will be made as soon as administratively practicable after the laid off employee returns to employment as a firefighter. These employees will have no employee contribution during the first thirteen (13) full bi-weekly pay periods after their return to work as a firefighter and their employee contribution during the second thirteen (13) full biweekly pay periods after their return to work as a firefighter shall be \$500, payable in bi-weekly pay period increments of \$38.46. The employee contribution thereafter shall be in accordance provisions of the collective bargaining agreement.

UNION'S POSITION: STATUS QUO – CURRENT CONTRACT
LANGUAGE

Current contract language reads:

ARTICLE 25. INSURANCE & HOSPITALIZATION

SECTION 1. HOSPITALIZATION

- E. Management shall, at its expense, provide a group hospital, medical, surgical insurance policy and dental insurance policy to all employees within the bargaining unit, which shall provide coverage for the employee and the employees spouse and dependents as defined in said policy, provided that the coverage of said policy shall not be less than the coverage of the present policy provided by Management to employees.
- F. Beginning July 1, 1986, the City will pay the medical and hospitalization insurance premiums for an employee who is disabled pursuant to the provisions of the Pension Ordinance until such time as the employee is eligible for Medicare, or reaches age 65, whichever occurs first. The City will also pay the premiums for the disabled employee's spouse and dependents.
- G. It is agreed that Management will pay the hospitalization insurance premium for the retirees, their spouse and dependents for those years of age of the retiree between 55 and 64 inclusive. In the event the retiree dies after retirement between the ages of 55 and 64 inclusive, the spouse and dependents, if any, will continue to have the hospitalization insurance premium paid by Management until such time as the retiree would have reached age 65. Spouse is understood to be that person to whom the retiree is married at time of retirement. For employees who retire during the period of the contract covering July 1, 2003 through June 30, 2007, vesting in health insurance benefits shall be at the levels negotiated for that contract period.
- H. In the event a person covered by this Agreement dies prior to retirement, Management will pay the hospitalization insurance premium for that person's spouse and dependents until such time as the

covered person would have reached age 65. II, however, the spouse remarries or the spouse is covered by another health insurance policy, this provision shall not apply.

Award for Issue 1 regarding Mandatory Conversion of Existing Employees to RHSA Retiree Health Care Plan:

The Union's proposal for maintaining the status quo is adopted.

Reasons: After a careful review of all the issues presented and record made, and based on all the applicable factors prescribed in Section 9 of the Act, it is concluded that the changes proposed by the City regarding issue 1 are not adopted. It is recognized that the GRFFU is a separate and distinct bargaining unit from each and every other bargaining unit in the City, and, thus, has its separate and distinct set of wages, hours and other terms and conditions of employment. At the same time it is also recognized that there is interdependency between all the bargaining units and the City in terms of continuity of service and reasonable availability of resources, monetary and otherwise.

The Union has agreed to a number of concessions for current and future bargaining unit members; the City has accomplished its goals in terms of moving to a defined contribution pre-65 retiree health care system as it applies to employees hired after June 30, 2010. The current bargaining unit employees with fewer than ten years of service have, however, earned employer paid pre 65 retirement health care coverage as part of their overall compensation package. The City's proposal attempts to end its existing contractual obligation to provide health insurance to pre 65 fire fighter bargaining unit retirees through payment of a lump sum into a retirement health savings account and then maintain a system of City and employee payments into separate accounts for each employee. The proofs and arguments regarding the advisability of this approach are discussed in great detail earlier throughout this opinion and will not be recited again here, but are reiterated by reference. Based on all the evidence, it is not deemed advisable to adopt the City's position due to the manner in which the value of the bargaining unit members' service was factored into an amount for lump sum payment, as well as the formula for future payments into the RHSA, which, in effect, lower the compensation of fire fighters by \$1000.00 per year in addition to the concessions already made in regards to other issues within the contract and provide no assurance that at the time of retirement the RHSA balance will be sufficient to provide adequate payment for necessary health insurance.

2. Issue 16. [City Issue] Retiree Health Insurance Premium Sharing. (Economic Issue).

CITY'S POSITION: CHANGE CURRENT CONTRACT LANGUAGE

CITY PROPOSAL: Modify Article 25, Section 1, Paragraph C to add new subparagraph 3 to read as follows:

3. Retiree Premium Sharing Amount. The premium sharing amount to be paid by pre-65 retirees not covered by the RHSA shall be the same as paid by active employees, as the same may be changed for active employees from time to time. After exhaustion of RHSA amounts, the premium sharing amount to be paid by pre-65 duty disability retirees covered by the RHSA shall be the same as paid by active employees, as the same may be changed for active employees from time to time.

UNION'S POSITION: STATUS QUO – MAINTAIN CURRENT CONTRACT LANGUAGE

The Union's last best offer is to maintain the status quo; no change in the contractual provisions.

3. Issue 21. [City Issue] Retiree Health Care Plan Benefits. (Economic Issue).

CITY'S POSITION: CHANGE CURRENT CONTRACT LANGUAGE

Add the following to Article 25, Section 1, Paragraph C:

The health care plan for pre-65 retirees will be the same health care plan provided to active employees including deductibles, co-payments, co-insurance, and benefit design changes, as the same may be changed for active employees from time to time.

UNION'S POSITION: STATUS QUO – MAINTAIN CURRENT CONTRACT LANGUAGE

The Union's last best offer is to maintain the status quo; no change in the contractual provisions.

Awards for issues 2 and 3 regarding changes in pre 65 retiree health care to provide for pre 65 retiree health insurance premium sharing and pre 65 health care plan benefits:

The City's proposals are adopted.

Reasons: After a careful review of all the issues presented and record made, and based on all the applicable factors prescribed in Section 9 of the Act, it is concluded that the changes proposed by the City regarding issues 2 & 3 are adopted. The above stated reasoning for Issue 1 continues to apply and is reiterated. The difference here is that these proposals do not negate past earnings, but apply to maintaining consistency of coverage, for better or worse, between pre 65 retirees and members of the bargaining unit from which they retired.

It is already agreed that there will be a blending of costs of health insurance for active employees and age pre-65 retirees. As a result of this decision the premium for active employees is already higher. It is neither consistent nor logical to freeze the cost a pre age 65 retiree would pay to what active employees were paying when the police officer retired and at the same time active employees' health premium sharing is going up by a larger amount due to higher cost of providing health insurance coverage to age pre-65 retirees. The interests of the active versus pre 65 retiree Fire Fighters would have a natural tendency to be balanced. While there could possibly be an incentive for manipulation for active Fire Fighters to take cash wage increases in the future in lieu of increased insurance benefits or co-pays, and there might be little incentive for the pre age 65 retirees to do anything to help contain the rising cost of health care, it is anticipated that the goodwill between the Fire Fighters and their retired compatriots will prevail in a shared reasonability and reasonableness. The fact that the active employees and the pre 65 retirees are in the same insurance coverage group provides continuity of health care indemnification, with active employees respect for the pre 65 retirees bolstered by the actives' expectations of becoming part of the retiree group themselves.

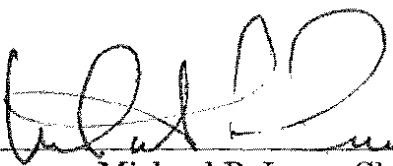
As to the inclusion of the pre 65 retirees with the same health insurance coverage as may changed for active employees from time to time, including deductibles, co-

payments, co-insurance, and benefit design changes, for better or worse, the same dynamics apply as stated above, and such will permit the City to maintain only a single plan for both active and retirees. Allowing the retiree's benefits to "float" with the coverage the active employees receive leads to better efficiencies of scale as well as in administration. Coverage between all the participants will be the same as will the individual contributions.

CONCLUSION

Each and every proposal of both of the parties has been evaluated in relation to all the issues presented and record made, and based on each of the statutory criteria. The decisions concerning the individual proposals take into account the totality of evidence presented as it applies to such criteria. The specific language from the parties' proposals has been quoted in this decision, but there may be some typographical errors. In adopting the proposal of one party or the other, it is intended that the exact language proposed by that party in its last offer of settlement is adopted.

DATED: September 12, 2011



Michael P. Long, Chairperson

I concur with the issues awarded in favor of the Employer, and dissent on those issues awarded in favor of the Union.

DATED: _____, 2011

Kenneth Deering, Employer Delegate

^{to}
^{All of}
I concur on ~~the issues awarded in favor of the Union, and dissent on those issues~~
~~awarded in favor of the Employer.~~

DATED: August 6, 2011



Joseph Dubay, GRFFU Delegate