

MERC

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

MICHIGAN EMPLOYMENT RELATIONS COMMISSION

BUREAU OF EMPLOYMENT RELATIONS

PETITIONING PARTY:

MERIDIAN CHARTER TOWNSHIP,

And

RESPONDING PARTY:

CAPITOL CITY LABOR PROGRAM, INC.

MERC CASE NO.: L 16 D-0525

**COMPULSORY ARBITRATION**

Pursuant to Public Act 312 of 1969, as amended  
[MCL 423.231, *et seq*]

**Arbitration Panel**

Chair: Thomas W. Brookover  
Employer Delegate: Helen Lizzie Mills, Esq.  
Union Delegate: Timothy J Dlugos, Esq.

**Advocates**

Employer Advocate: Helen Lizzie Mills, Esq.  
Union Advocate: Thomas Krug

STATE OF MICHIGAN  
EMPLOYMENT RELATIONS COMM.  
DETROIT OFFICE

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PETITION(S) FILED:	May 30, 2017
PANEL CHAIR APPOINTED:	June 30, 2017
SCHEDULING CONFERENCE HELD:	July 11, 2017
HEARING DATE(S) HELD:	November 29, 2017
AWARD ISSUED:	March 2, 2018

**TABLE OF CONTENTS**

1. Introduction and Background.....page 2

2. Statutory Criteria ..... 3

3. Stipulations and Preliminary Rulings ..... 5

4. Comparables..... 5

5. Issues before the Panel

    Issue 1: Pensions ..... 6

    Issue 2: Retiree Health Insurance..... 9

    Issue 3: Annual Sick Leave Sellback..... 9

    Issue 4: Wages..... 10

    Issue 5: Medical First Responder Pay..... 10

    Issue 6: Additional Time Off..... 10

    Issue 7: Light Duty Sick Leave..... 11

    Issue 8: Notice of Resignation-Timing..... 12

    Issue 9: Limitations Period ..... 12

    Issue 10: Workers’ Compensation Clarification..... 13

    Issue 11: Definition of “Grievance” ..... 14

    Issue 12: Bereavement Leave ..... 15

    Issue 13: Sick Leave Maximum ..... 16

6. Summary of Award..... 16

7. Last best offers of the parties..... 18

8. Agreements made by the parties before Arbitration..... 25

**WITNESS LIST**

1. Frank Walsh, Township Manager
2. Marne Daggett, MERS
3. Joyce Marx, Township Human Resources Director
4. Thomas Krug, Executive Director, CCLP

## **1. INTRODUCTION AND BACKGROUND**

The bargaining unit consists of approximately eight (8) supervisory members of the police department of Meridian township. The Township is in Ingham County, just east of East Lansing and Michigan State University, and has a population of about 40,000. The Township has about 155 employees. The prior collective bargaining agreement expired on December 31, 2016 and after bargaining and mediation the parties have been unable to reach agreement on all terms of a current agreement. They have, however, been able to agree on a substantial number of issues. They had one mediation session on February 28, 2017.

One day of hearing was held on November 29, 2017 and the parties then filed post hearing briefs. The patrol officers were in 312 at the same time and the award was issued after the hearing here, but before the briefs were due. The Union filed a motion to incorporate the award into evidence, which was granted. The Township was then given a short time to file a supplemental post-hearing brief.

## **2. STATUTORY CRITERIA**

Act 312 of 1965, MCL 423.231, *et seq*, provides for compulsory arbitration of labor disputes of municipal police officers and fire departments. Section 8 of Act 312 states in relation to economic issues that:

. . . As to each economic issue, the arbitration panel shall adopt the last offer of settlement which, in the opinion of the arbitration panel, more nearly complies with the applicable factors prescribed in section 9. The findings, opinions and order as to all other issues shall be based upon the applicable factors prescribed in section 9.

Section 9 dictates:

(1) If the parties have no collective bargaining agreement or the parties have an agreement and 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:

(a) The financial ability of the unit of government to pay. All of the following shall apply to the arbitration panel's determination of the ability of the unit of government to pay:

(i) The financial impact on the community of any award made by the arbitration panel.

(ii) The interests and welfare of the public.

(iii) All liabilities, whether or not they appear on the balance sheet of the unit of government.

(iv) Any law of this state or any directive issued under the local government and school district fiscal accountability act, 2011 PA 4, MCL 141.1501 to 141.1531, that places limitations on a unit of government's expenditures or revenue collection.

(b) The lawful authority of the employer.

(c) Stipulations of the parties.

(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 in both of the following:

(i) Public employment in comparable communities.

(ii) Private employment in comparable communities.

(e) Comparison of the wages, hours, and conditions of employment of other employees of the unit of government outside of the bargaining unit in question.

(f) The average consumer prices for goods and services, commonly known as the cost of living.

(g) 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.

(h) Changes in any of the foregoing circumstances while the arbitration proceedings are pending.

(i) Other factors that 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.

(2) The arbitration panel shall give the financial ability of the unit of government to pay the most significance, if the determination is supported by competent, material and substantial evidence.

Section 10 of Act 312 provides that the decision of the arbitration panel must be supported by "competent, material and substantial evidence on the whole record. . . ."

The law requires that the panel give the financial ability of the Township the most significance in making an award.

### **3. STIPULATIONS AND PRELIMINARY RULINGS**

The parties agreed on a substantial number of issues prior to arbitration, and they are set forth after the signature page, as shown in the table of contents.

### **4. COMPARABLES**

The parties agreed that the comparable communities would be Pittsfield Township, Grand Blanc Township, Flint Township, and the cities of Burton and Norton Shores.

### **5. ISSUES BEFORE THE PANEL**

At the time of the Hearing, the remaining open issues were:

- ISSUE 1: Pension (multiplier, new hire plan, FAC) (Township Issue)  
Current employees  
New Hires
- ISSUE 2: Retiree Health Insurance (Township Issue)
- ISSUE 3: Annual Sick Leave Payout (Township Issue)
- ISSUE 4: Wages (Mutual Issue)
- ISSUE 5: Medical First Responder (MFR) Pay (Union Issue)
- ISSUE 6: Additional Time Off (Union Issue)
- ISSUE 7: Light Duty (Union issue)
- ISSUE 8: Notice of Resignation Timing (Union Issue)
- ISSUE 9: Statute of Limitations (Union Issue)
- ISSUE 10: Workers Compensation Clarification (Township Issue)
- ISSUE 11: Defining “Grievance” (Township Issue)
- ISSUE 12: Bereavement Leave (Union Issue)
- ISSUE 13: Sick Leave Maximum (Township Issue)

The parties agree that all the issues are economic.

Because of their length and detail, the Last Best Offers of the parties on each of the issues are attached separately, rather than set forth verbatim in this award. I will summarize them in the text. I believe this approach will make it easier for the reader to understand, while maintaining the details in the attachments.

The LBO's of the parties are listed after the signature page. However some of the LBO's were resolved before the hearing. Specifically, Employer's LBO numbers 4, 5, 11 and 15 were resolved. Under the Union LBO's, numbers 3, 5, 7 and 9 were resolved.

The Panel has considered each of the criteria in making its decisions, and if it does not discuss one in its findings it does not mean it has not been taken into consideration. Often there is no testimony or other evidence one way or another on one of the issues.

## **ISSUE 1: PENSIONS**

### **CURRENT EMPLOYEES**

The current retirement plan for command officers has a multiplier of 2.75% of final average compensation (FAC) at time of retirement.

The Township wants to reduce the multiplier to 2.5%, and reduce the FAC by excluding holiday pay and longevity pay. In addition it wants to reduce FAC by limiting, to 240 hours, straight time compensation for vacation or other compensation. Overtime would still be included.

The Union position is to maintain the status quo.

There are a number of elements to analyze this issue. A dominant one for this arbitrator is that the Township was unable to provide any evidence on the financial effect of such a change. I will discuss that later.

The Township argues that other employee groups agreed to similar pension adjustments. The DPW, which has the best funded pension fund, has a 2.25% multiplier but agreed to increase employee contribution from 2.3% to 5%. Administrative professionals reduced their multiplier from 2.5% to 2.25% and increased the employee contributions from 3.9 to 5%. The Firefighters agreed to the reductions and adjustments

the Township is asking for here. For external comparables, the Township points out that none has a multiplier over 2.5%.

The Union points out that although this unit has a high multiplier compared to other employees, 2.75%, it bargained for it, and its 11.24% contribution by its members is substantially higher than any other employees, internally or externally. Fairness and bargaining history favor the Union since it increased employee contributions in exchange for the higher multiplier. The Township wants to reduce the multiplier, and limit the computation of FAC, but does not offer to reduce the employee contribution. The Union also points out that although none of the comparable communities have a 2.75% multiplier, none of them has an employee contribution nearly as high as here.

Additionally, the Union points out that since the Patrol 312 Award kept its multiplier at 2.75%, reducing the Command multiplier could create a reluctance on the part of patrol officers to seek and accept promotion.

While there was no specific testimony that the Township does not have the ability to fund the current plan, it argues that it must address its unfunded pension liability. The overall Township funding level is at 58% while the Command officers' pension is 53.2% funded. Annual required contributions have increased from \$2 million in 2010, to \$2.5 million in 2017, with some projections of over \$3 million in 2020. Currently the Township contributes 9.01% of command officer payroll toward the normal cost of the pension, and 50.48% of payroll toward the unfunded accrued liability. It is also looking at \$2 million in long overdue infrastructure improvements in the HVAC systems in Township buildings.

Manager Walsh testified that the Township wants to get close to 90 to 100% funding of the pension funds in 10 years. In order to do that he said they would need to contribute an additional \$1.45 million per year. He said the plan had three parts. They paid \$1 million over the annual required contribution in 2015 or 2016, and recently paid an additional \$1.2 million. Second, it asked for modifications from the Unions. Third, it went to the voters for what he called a Pension Tax. He did not think it would be approved, but in August 2017 it was, with the result of "a million, four, a million, five – it's a rough number—for pension." So while the Township estimated it needed an

additional \$1.45 million per year for the lofty goal of 90% funding, the new millage provides that amount.

This plan's funding level is roughly in the middle of those of the comparable communities which are 34%, 57%, 57%, 60% and 62%.

Generally, the Township seems to be in pretty good shape. It was able to adopt a balanced budget even when it paid over a million dollars each year in additional pension contributions, and as of January 1, 2018 will have a fund balance of \$5.6 million on a budget of \$20 million, or about 28%.

Of significance to this arbitrator, however, as I mentioned above, is that the Township did not provide any information as to how much its proposed changes would save. MERS conducted a supplemental valuation of an earlier proposal of a bridged benefit of 2.25%, rather than 2.50% which estimated a savings of \$29,532. The testimony established that the annual savings for this LBO would be much less than that, but there was no actuarial valuation to establish how much.

Moreover the MERS Plan document provides that a change in a benefits program may not be adopted unless there is a supplemental actuarial valuation reflecting the changes. Marne Daggett, Regional Manager at MERS, confirmed that if a community wants to make a change to a multiplier then "we require them to have CBIZ, who is our current actuarial service, run a certified report". (Tscpt, p 155).

As a result, it seems that even if the Township LBO was awarded, it could not go into effect until there was a certified report.

Finally, the patrol officers went to 312 arbitration almost simultaneously with this unit. The Township LBO was similar to the one here and the Arbitrator rejected the Township's proposal to reduce FAC and the multiplier, and retained the 2.75% multiplier.

In light of the dearth of financial support for the Township's position, the lack of an actuarial evaluation, the new millage, the weight of the evidence, including internal and external comparables supports the Union LBO and it is awarded.



**PENSIONS –NEW HIRES**

The Township proposes that new employees have a multiplier of 1.75% for all service to the Township. It proposes that FAC only include base wages and up to 240 hours of any other compensation at straight time. It adds a defined contribution plan, and other changes.

The Union LBO is *status quo*.

The Township argues that the non-312 units approved a similar package, with a lower multiplier (1.5 vs. 1.75); three of the external comparable communities have adopted modified benefits for new hires which will assist in reducing pension costs, and the fire department accepted the same proposal offered here.

The Union points out that the same proposal was rejected for the patrol unit in the 312 Award. It also argues that it would hardly be fair for new hires to pay the 11.24% contribution as the current employees who pay that high amount for their 2.75% multiplier and greater FAC. There is no detailed accounting justifying the higher contribution rate for the proposed plan.

For the same reasons set forth above with respect to the current employees, the Union LBO is awarded.

**ISSUE 2: RETIREE HEALTH INSURANCE**

This was a proposal by the Township to make some changes. Although the Union’s LBO was status quo, in its post hearing brief it stated that since the Patrol 312 Award granted the same changes to patrol officers, the Township proposal was acceptable to it.

Award Township LBO

**ISSUE 3: ANNUAL SICK LEAVE SELLBACK**

Again, since the Patrol 312 Award granted the Township position on the same matter, the Union no longer opposes it.

Award Township LBO

**ISSUE 4: WAGES**

The Township's LBO on wages was 2% effective January 1, 2017, effective and retroactive to January 1, 2017 for current employees; 2% effective January 1, 2018 (with no offer of retroactivity) and 2% effective January 1, 2019.

The Union's LBO was 3% retroactive to January 1, 2017, 2.5 % with retroactivity to January 1, 2018, and 2.5% effective January 1, 2019.

In its Brief the Union pointed out that the Patrol 312 award granted the Township's 2%-2%-2% position and said that if the Panel awarded status quo in the pension issues (which it has), and granted retroactivity to the 2018 2% increase, it would accept the Township position.

The Township brief, at p. 23, says it will pay current employees any retroactive wages awarded by the panel.

Therefore there is no issue.

The Township LBO is awarded.

**ISSUE 5: MEDICAL FIRST RESPONDER (MFR) PAY**

Again, since the Patrol 312 Award chose the Township proposal, in its brief the Union said it would accept the Township LBO if the Panel granted status quo on the pension issues. It has.

The Township LBO is awarded.

**ISSUE 6: ADDITIONAL TIME OFF**

The Union asks for new language to provide that if other Township employees are granted time off, command officers should get the same time off or get equivalent time credited to their leave bank.

The Township position is status quo.

This issue arises from what appears to be an informal Township policy which might send employees home when the weather is bad, and also grants non-emergency and non-essential employees time off on Good Fridays. Manager Walsh has given out Tiger tickets and whoever gets them, if they are scheduled to work, gets paid time off. He testified that when there are weather events he has tried to buy things like gift certificates

for dinner for those who had to come in and work. They had a turkey drawing for Thanksgiving and the two people who win get the day before Thanksgiving off. He said the police and fire employees are eligible for the drawing. There is a Lansing Lugnuts trip each year, and they have contacted both the Fire and Police departments to offer tickets and food vouchers to employees who could not go.

Also a Township trustee died and employees were given 4 hours off to contemplate his life...members of this Union were not and were not given comp time.

There was no testimony on how any of the comparable communities might treat this issue.

This appears to be a wonderful practice for building and maintaining employee morale. Police work does not take time off for blizzards and officers cannot stay home. But the time off practices for other employees seem to be minimal...and long standing...and there are attempts to compensate officers in other informal ways.

The Township LBO is awarded.

## **ISSUE 7: LIGHT DUTY -SICK LEAVE**

The Union proposal is as follows:

Section 4. Members will be allowed to work a limited duty assignment while on workers' compensation or on sick leave if medically approved. A total of two members may be assigned to limited duty at any given time. On-duty injuries will take precedence over off-duty sickness or injury.

This would permit up to two members to work a limited duty assignment if on sick leave, or workers' compensation, if medically approved. It also gives preference to those with on-duty injuries over off-duty injuries.

The Township opposes this proposal.

The Union argues that it does not require the Township to create light duty, but only permits members to be eligible for it. It argues that the preference for on-duty injuries helps relieve the cost of workers' comp supplement, and the Township gets productive work from the members. The Union admitted that it did not know of any instances where a member was denied light duty when it was available.

The Township argues that the proposal might not be legal in its preference for on duty injuries, and that administratively it would be difficult. First, light duty for police is a difficult concept since the job is physical and unpredictable. Second, there are sometimes light duty work opportunities, and the EEOC and ADA might require the Township to permit it. Third, it argues that it cannot discriminate between those injured on-duty and others with disabilities.

The Township interprets the provision as requiring it to create light duty work....the Union testimony is that it does not require creating the work.

The Township acknowledged that in deciding this issue it might be asking the panel to make a legal determination whether it was permitted or not.

The panel agrees that the proposal is ambiguous and could be interpreted as requiring the Township to create light duty work. It is also concerned that might be considered discriminatory. It also finds that there have been no prior instances where light duty was denied.

The Panel awards the Township LBO.

#### **ISSUE 8: NOTICE OF RESIGNATION TIMING**

The Township's current personnel policy requires 4 weeks' notice for retirement, and 2 weeks' notice for standard resignation. The Union LBO would change this to 2 weeks' notice for either.

The Union argues that there might be situations where an officer wants to retire to go elsewhere and they might not hold the other job open for 4 weeks. It did not give examples of if, or how often, this has happened.

The Township argues that it is desirable to have the extra 2 weeks to manage the extra paperwork involved in retirement.

There is no information from comparable communities.

The panel finds that the Union has not met its burden of proof on this proposal and awards the Township LBO

#### **ISSUE 9: LIMITATIONS PERIOD**

Currently the Township's Personnel Policy Manual provides that

“as a condition of employment, you agree not to commence any action, claim, or suit relating to your employment or termination of employment against the Township more than 182 days after the date you knew or should have known that a claim existed or later than the applicable limitations period established by law, whichever is less.”

The effect of the Township policy is to shorten the time for making any claim.

The Union’s LBO would override this provision and provide that any claim would only be subject to the statute of limitations provided by law.

The Union argues that the shorter limitations period limits the legal rights of the employees and any balancing should be in favor of the employees rather than the Township.

The Township argues that a shorter time is necessary for preserving documents, recollections and identifying witnesses.

The Township policy has been in effect since 2015. The Township has had one case where the employee filed a year later and Mr. Walsh testified that the shorter limitations period is so documents will not be lost and recollections will be fresh. It points out that 180-day limitations periods have been upheld by numerous courts, citing in particular *Timko vs Oakwood Custom Coating, Inc.*, 244 Mich App 234 (2001).

The Union has a strong argument that in setting limitations periods on bringing suit against an employer the balance should be in favor of the employee. But all other employees in the Township, apparently including those subject to Act 312 and other union groups are subject to the 182 day limitation period.

This is a difficult issue for the panel, but on balance, we find for the Township.

The Township LBO is awarded

#### **ISSUE 10: WORKERS COMPENSATION CLARIFICATION**

The Township LBO is the following proposal, with changes in bold:

The Township shall, for a period not to exceed twenty-six (26) weeks **with respect to an injury**, supplement without charge to sick leave or vacation, worker’s compensation benefits for Officers injured on the job by the difference between worker’s compensation benefits and the normal weekly earnings, excluding overtime.

The Union proposes the *status quo*.

At the hearing the we went through some hypotheticals. The Township explained this change by saying if an employee falls and injures her arm, it would make up the difference between worker's comp and normal earnings up to 26 weeks. If the employee returns to work and later "has the same injury", or "reinjures that arm", then she would lose the supplement. The Union posed the hypothetical of an officer who hurts his shoulder grappling with a suspect, is out, has surgery, goes through rehab, gets cleared by the doctor, and returns to work, then hurts his shoulder doing something else. When asked if that was that the same injury under the Township's proposal, the answer was "That's a good question."

Although the Township explained that it was trying to clarify whether an injury was the same injury or a different injury, it admitted that ultimately it relies on the Worker's Comp carrier to make that determination. It seems to the panel that the added language does not clarify very much.

This attempt to clarify what ultimately could be a medical decision, while commendable, does not seem to have clarified much.

The panel finds in favor of the Union LBO

#### **ISSUE 11: DEFINITION OF "GRIEVANCE"**

The Township seeks to change the current definition of "grievance". Currently an officer can grieve, among other things,..... "the personnel policies of the Township **insofar as applicable....**" The Township wants to change the wording so officers can grieve the personnel policies of the Township "**that are in conflict with this agreement**".

The Union LBO is the *status quo*.

The Township said it wants to define a grievance as a violation of the CBA, and not a grievance of the personnel policies. If a policy conflicts with the CBA the CBA will control and the Union can grieve it, but it cannot grieve a policy it just does not like.

Apparently this relates to the adoption of the 182-day limitations period discussed above in Issue 9 as according to the testimony, the Union grieved it, and it has never been resolved.

The Township's position is that this is not a change, but it is what its interpretation has been all along.

The Union says that the language change is substantively no different than it has been and does not really clarify.

The Panel cannot discern a lot of difference between the two provisions and finds that the Township has not met its burden for a change.

The panel adopts the Union LBO

## **ISSUE 12: BEREAVEMENT LEAVE**

The Union proposes new language as follows:

Section 4. If an officer's regularly scheduled day or days off occur when bereavement leave is requested, those scheduled days off will be moved to other days the officer is scheduled to work.

Currently officers "will be excused from work to attend the funeral and make other necessary arrangements without loss of pay from the date of death until the day after the funeral, but not more than a total of three (3) days."

The Township position is *status quo*.

The Township says it opposes this change as it says it is trying to get a uniform bereavement policy for all employees and create "one consistent plan". Mr Walsh, however, testified that there was no "one consistent plan". He testified that some other employees get more time, and that most other employees get to take their bereavement days any time within 60 days.

For external comparables, Mr Krug testified that days off are not counted into bereavement days.

Although placing the Union language into this section seems awkward, both the internal and external comparables support flexibility for when bereavement or funeral leave can be taken.

The death of a close family member is a trying time and flexibility seems to be beneficial to the employee and the workforce generally. It is difficult to see why the Township has opposed this proposal.

The Union LBO is awarded.

**ISSUE 13: SICK LEAVE MAXIMUM**

Again, since the Patrol 312 Award chose the Township proposal, in its brief the Union said it would accept the Township LBO if the Panel granted status quo on the pension issues. It has.

The Township LBO is awarded.

**6. SUMMARY OF AWARD**

- |  |  |
|--|--|
| <b>1. PENSION</b>                      | Award Union LBO of <i>status quo</i>   |
| <b>2. RETIREE HEALTH INSURANCE</b>     | Union withdrew its opposition so award Township LBO                                      |
| <b>3. ANNUAL SICK LEAVE SELLBACK</b>   | Union withdrew its opposition so award Township LBO                                      |
| <b>4. WAGES</b>                        | Union withdrew its opposition so award Township LBO of 2%, 2%, 2%, as modified in brief. |
| <b>5. MFR PAY</b>                      | Union withdrew its opposition so award Township LBO                                      |
| <b>6. ADDITIONAL TIME OFF</b>          | Award Township LBO of status quo   |
| <b>7. LIGHT DUTY SICK LEAVE</b>        | Award Township LBO of status quo   |
| <b>8. NOTICE OF RESIGNATION TIMING</b> | Award Township LBO of status quo   |
| <b>9. LIMITATIONS PERIOD</b>           | Award Township LBO of status quo   |



**10. WORKERS**

**COMPENSATION**

**CLARIFICATION**

Award Union LBO of status quo

**11. DEFINITION OF**

**"GRIEVANCE"**

Award Union LBO of status quo

**12. BEREAVEMENT**

Award Union LBO

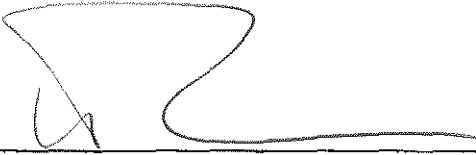
**LEAVE**

**13. SICK LEAVE**

**MAXIMUM**

Union withdrew its opposition so award Township LBO

Date: March 2, 2018



Thomas W. Brookover, Panel Chair

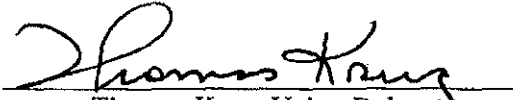
Date: March 2, 2018



Helen E.R. Mills, Township Delegate

Agreeing with awards in favor of the Township and disagreeing with awards in favor of the Union

Date: 3-2-2018



Thomas Krug, Union Delegate

Agreeing with awards in favor of the Union and disagreeing with awards in favor of the Township

## 7. LAST BEST OFFERS

### TOWNSHIP LAST BEST OFFERS:

*The Township's Last Best Offer on the Remaining Open Issues follows:*

1. **Pension Changes in Article 6, Section 7 – Township Issue**

**TO BE IMPLEMENTED AND EFFECTIVE UPON JANUARY 1, 2018  
OR THE EFFECTIVE DATE OF THE AWARD, WHICHEVER IS  
LATER**

- A. The following pension benefit shall apply to *current* members of the bargaining unit:
- i. The multiplier for current participants in the MERS pension system shall be 2.5 for all service to the Township after the effective date of the award.
  - ii. Final Average Compensation (FAC) at the time of retirement shall apply for the pension benefit earned before and after the effective date of the award.
  - iii. FAC at the time of retirement shall be on the same basis as is currently defined except that all holiday pay and longevity pay shall be excluded from the calculation of FAC effective after the effective date of the award. In addition, after December 31, 2017, other than overtime, no more than 240 hours of compensation at straight time (e.g., vacation and any other compensation) shall be included in FAC.
  - iv. Status quo contribution rate of 11.24%
  - v. The remainder of the current MERS benefit shall remain as currently provided.
- B. The following pension benefit shall apply to new hires or employees promoted or transferred into this bargaining unit:
- i. The multiplier for new participants in the MERS pension system shall be 1.75 for all service to the Township.

- ii. Final Average Compensation shall include base wages, and no more than 240 hours of any other compensation at straight time (e.g., overtime, vacation, holiday, longevity, education or paramedic bonuses as applicable, or any other compensation).
- iii. There shall be no E-2 benefit.
- iv. 11.24% employee contribution.
- v. Early retirement age shall be 55 years with 25 years of service.
- vi. In addition to the defined benefit described in subsections (i-v), defined contribution plan with an initial employer contribution of 2% of base wages plus a one for one match of any employee contribution of up to 3% of base wages (i.e., maximum Township contribution of 5% if employee contributes 3%).

**2. Retiree Health Insurance, Article 6, Section 7(G): Amend Section 7, in relevant part:**

G. The Township will provide health and hospitalization insurance coverage to retired Officers, and their spouse **at the time of retirement**, who receive a pension from the Township as follows:

- 1. **For employees hired before January 1, 2017,**
  - a. **Health and hospitalization coverage shall be as provided to and on the same terms as provided to current employees of the Township until the retiree is eligible for other coverage. The Township may offer alternative plans alongside base plan at its discretion. Retirees may add dependent children coverage, but at the retiree's expense.**
  - b. The Township may elect to change insurance plans or carriers. There shall be no loss of benefits as a result of the change in plan or carriers, **except as provided above**, however.
  - c. The Township shall pay fifty (50%) percent of the monthly premium and the retired Officer or his/her spouse shall pay fifty (50%) percent of the monthly premium. The 50% Township contribution is limited to a retired Officer being an individual who is eligible to receive a pension benefit (including a disability pension) immediately after leaving the employment of the Township.

To be eligible for the above-referenced retiree health care benefits, the employee must be age fifty (50) and have

completed twenty-five (25) years of actual service, including Act 88 reciprocity time, but excluding the purchase of generic time. This exclusion of the purchase of generic time shall only apply to such purchases occurring after ~~the date of the arbitration award.~~ [November 23, 2010].

2. **For employees hired after January 1, 2017,**
  - a. **Health and hospitalization coverage shall be as provided to and on the same terms as provided to current employees of the Township until the retiree is eligible for other coverage. The Township may offer alternative plans alongside base plan at its discretion. Retirees may add dependent children coverage, but at the retiree's expense.**
  - b. **The Township may elect to change insurance plans or carriers. There shall be no loss of benefits as a result of the change in plan or carriers, except as provided above, however.**
  - c. **The Township shall pay fifty (50%) percent of the monthly premium and the retired Officer or his/her spouse shall pay fifty (50%) percent of the monthly premium. The 50% Township contribution is limited to a retired Officer being an individual who is eligible to receive a pension benefit (including a disability pension) immediately after leaving the employment of the Township.**

**To be eligible for the above-referenced retiree health care benefits, the employee must be age fifty-five (55) and have completed twenty-five (25) years of actual service, including Act 88 reciprocity time, but excluding the purchase of generic time.**

3. **Workers' Compensation, Article 6, Section 11 – Township Issue:** Amend, in relevant part, to read:

The Township shall, for a period not to exceed twenty-six (26) weeks **with respect to an injury**, supplement without charge to sick leave or vacation, worker's compensation benefits for Officers injured on the job by the difference between worker's compensation benefits and the normal weekly earnings, excluding overtime.

4. **Use of Sick Time, Article 10, Section 1 – Township Issue:** Amend, in relevant part, to read:

Each Officer shall accumulate sick leave hours at the basic rate of eight (8) hours per calendar month after the tenth (10<sup>th</sup>) month of employment. **Employees hired**

before January 1, 2017 may accumulate up to a maximum of 1,040 hours. Employees hired on or after January 1, 2017 may accumulate up to a maximum of 880 hours.

5. **Sick Leave Payout, Article 10, Section 3 – Township Issue:** Eliminate annual sick leave pay out for employees hired on or after January 1, 2017.
6. **Additional Time Off re Other Township Employees – Union Issue:** *Status Quo.*
7. **Additional Time Off - Bereavement Leave – Union Issue:** *Status Quo.*
8. **Defining “Grievance,” Article 22, Section 1 –Township Issue:** Section 1 shall be amended to read:

For the purpose of this Agreement, a grievance is a claim by an Officer, a group of Officers, or the Union that there has been a violation, misinterpretation or misapplication of any provision of this Agreement, the personnel policies of the Township ~~insofar as applicable~~ **that are in conflict with this agreement**, or the written work rules of the Police Department that are in conflict with this agreement.

9. **Light Duty – Union Issue:** *Status Quo.*
10. **Notice of Resignation– Union Issue:** *Status Quo.*
11. **Maximum Vacation Accumulation – Union Issue:** *Status Quo.*
12. **Statute of Limitations– Union Issue:** *Status Quo.*
13. **Wages– Union Issue**
  - a. 2% increase effective January 1, 2017, with retroactive pay to current employees
  - b. 2% increase effective January 1, 2018
  - c. 2% increase effective January 1, 2019
14. **Medical First Responder (MFR) – Union Issue:**

Employees who obtain or maintain a “Medical First Responder” certification shall receive five hundred dollars (\$500) annually. This payment shall be issued in the first pay period of December each year.
15. **Memorandum of Understanding re 12 hour Shifts:** The current memorandum of understanding regarding 12-hour shifts shall continue for the duration of the three year collective bargaining agreement.

## **UNION LAST BEST OFFERS:**

Capitol City Labor Program, Inc. (CCLP) presents the following Last Best Offers for settlement on the individual issues before the panel:

### **Union Issues**

1. Sick Leave (New Section) – proposal to add the following limited-duty provision to Article 10 of the collective bargaining agreement:

Section 4. Members will be allowed to work a limited duty assignment while on workers' compensation or on sick leave if medically approved. A total of two members may be assigned to limited duty at any given time. On-duty injuries will take precedence over off-duty sickness or injury.

2. Notice of Resignation (New Article / Section) – proposal to add the following resignation provision to the collective bargaining agreement:

Unit members will give the Township two (2) weeks' notice of resignation or intent to retire.

3. Vacation Accrual (Article 12, Section 1) – The CCLP withdraws its previous proposal regarding Vacation Accrual from consideration by the Panel.

4. Additional Time-Off for Other Employees (Article 5, new Section) – proposal to add the following language to Article 5 of the collective bargaining agreement as a new Section 13:

Section 13. Time-off granted to any Township employee at the Township's discretion, without being deducted from an employee's time-off bank, shall also be granted to members in this unit working or scheduled to work on the same day, either as time-off or credited to the members' appropriate leave bank.

5. Insurance Premiums – Retirees (Article 6, Section 3) - The CCLP withdraws its previous proposal regarding Insurance Premiums for Retirees from consideration by the Panel.

6. Medical First Responder (Article 26, new Section 8) – proposal to add the following language to Article 26 of the collective bargaining agreement as a new Section 8:

Section 8. Members holding the classification/certification of Medical First Responder (MFR) shall be paid an annual bonus of \$700. The bonus will be paid in a lump-sum in connection with the first pay period in December.

7. Duration (Article 28) – proposal for a 3-year agreement effective January 1, 2017 through December 31, 2019.
8. Statute of Limitation (new Article / Section) – proposal to add language to the collective bargaining agreement addressing the applicable statute of limitations for employment-related claims:

[Article \_\_\_] All employees of this bargaining unit, probationary and non-probationary, who commence any action, claim, or suit relating to their employment or termination of employment against the Township may commence such action within the applicable statute of limitations period as established by law pertaining to the action, claim or suit commenced. This Article specifically overrides the 182-day limitations period for employment-related claims contained within the *Charter Township of Meridian Personnel Policy Manual*, dated November 24, 2015, or any successor manual thereto.

9. Incorporating 12-Hour Shift Memorandum of Understanding (New Article/Section) – CCLP modifies its prior position to incorporate the existing 12-hour shift Memorandum of Understanding (MOU) into the agreement, and proposes that the parties rollover the MOU for the continued duration of this agreement.
10. Bereavement Leave (Article 14, new Section 4) – proposal to include the following provision as a new Section 4 to Article 14:

Section 4. If an officer's regularly scheduled day or days off occur when bereavement leave is requested, those scheduled days off will be moved to other days the officer is scheduled to work.

11. Wage Scale (Appendix A) – proposal to award the following across-the-board wage increases for the respective periods of the proposed 3-year agreement:

Year 1 – Three percent (3%) increase across-the-board for all steps and classifications. Wages to be effective and retroactive to January 1, 2017.

Year 2 – Two-and-a-half percent (2.5%) increase across-the-board for all steps and classifications. Wages to be effective and retroactive to January 1, 2018.

Year 3 - Two-and-a-half percent (2.5%) increase across-the-board for all steps and classifications. Wages to be effective January 1, 2019.

### **Employer Issues**

12. Retirement - Current Employees (Article 6, Section 7) – in response to the Employer’s proposal to modify the pension and retirement benefits for current employees, the CCLP proposes that Article 6, Section 7 remain *status quo*.
13. Retirement – New Hires (Article 6, Section 7) – in response to the Employer’s proposal to modify the pension and retirement benefits for members hired after the issuance of the 312 Panels’ Award, the CCLP proposes that Article 6, Section 7 remain *status quo* for all members regardless of date of hire.
14. Sick Leave Payout (Article 10, Section 3) - in response to the Employer’s proposal to eliminate the sick leave payout for members hired after the issuance of the 312 Panels’ Award, the CCLP proposes that Article 10, Section 3 remain *status quo* for all members regardless of date of hire.
15. Grievance Procedure (Article 22, Section 1) - in response to the Employer’s proposal to modify the grievance procedure language in Article 22, Section 1, the CCLP proposes that Article 22, Section 1 remain *status quo*.
16. Worker’s Compensation (Article 6, Section 11) - in response to the Employer’s proposal to modify the worker’s compensation language in Article 6, Section 11, the CCLP proposes that Article 6, Section 11 remain *status quo*.
17. Use of Sick Time (Article 10, Section 1) - in response to the Employer’s proposal to modify the use of sick time provisions in Article 10, Section 1, the CCLP offers the language proposed by the Employer in its March 3, 2017 Package Proposal to add 12-hour shift language under subsection C, but does not offer or agree to language differentiating the accumulation levels available for members based upon date of hire:
  - A. Eight (8) Hour Shift. On an 8-hour shift, sick time taken will be charged hour-for-hour as used, with a maximum of forty (40) hours per week.
  - B. Ten (10) Hour Shift. On a 10-hour shift, any sick time taken in any one day of ten (10) hours or less is



charged hour-for-hour with a maximum of ten (10) for a single day.

C. Twelve (12) Hour Shift. On a 12-hour shift, any sick time taken in any one day of twelve (12) hours or less is charged hour-for-hour with a maximum of twelve (12) for a single day.

Each Officer shall accumulate sick leave hours at the basic rate of eight (8) hours per calendar month after the tenth (10<sup>th</sup>) month of employment. The hours shall be allowed to accumulate up to a maximum of 1040 hours.

The Township shall compensate the Officer for twenty-five (25%) percent of his/her total accumulated sick leave based upon his/her base salary upon separation or retirement.

## 8. AGREEMENTS OF THE PARTIES BEFORE ARBITRATION:

*(Identify any stipulations of the parties and/or preliminary rulings, except as to comparables.)*

The parties have agreed on the following matters, but note the unresolved matter in Article 10, Section 1:

- **Article 2, Section 2(M)** shall be amended to read: “To discipline, up to and including termination of employment, provided that all discipline is for just cause unless otherwise provided in this Agreement.”
- **Article 3, Section 1** shall be amended, in part, to read:

\* \* \* \*

Officers' personnel files shall be kept under the direct control of the Township Human Resources Director.

\* \* \* \*

B. An Officer may, by right, view his/her own personnel file as to its total content, except the background investigation report, upon written request to the Police Chief or Human Resources Director. The Township agrees not to divulge the contents of the Officer's file without a written release from the employee concerned or as required by law. **The Township will notify the employee if a request for the contents of the file are requested.**

\* \* \* \*

D. It is understood by both parties that the Township Manager may review the Department personnel files.

- **Article 5, Section 3** shall be amended to read: “~~Officers shall receive an annual salary.~~ An Officer shall receive an hourly rate for services performed ~~not exceeding the total annual wage referred to as the basic wage,~~ as set forth in Appendix A attached hereto. ~~The annual basic wage represents compensation for services rendered under Sections 1 and 2 above, for 2,080 hours of service.”~~

- **Article 5, Section 4** shall be amended, in part, to read:

\* \* \* \*

All overtime shall be reimbursed at the rate of one and one-half (1-1/2) times the regular hourly rate and shall be paid at the end of the next regularly scheduled pay period after the overtime is earned.

\* \* \* \*

To the extent possible, individual preference in the use of compensatory time will be honored. The use of all compensatory time shall be subject to the Chief’s approval. The decision of the Chief shall not be subject to the grievance procedure.

- **Article 6, Section 3** shall be amended to read:

A. The Township shall provide each employee and family with medical and hospitalization coverage selected through the Healthcare Coalition and ratified by the Union. The Union agrees to participate in a Healthcare Coalition involving CCLP and other Township employee groups to discuss and evaluate insurance options. Any changes proposed by or to the Healthcare Coalition, contrary to current contract language, must be ratified by CCLP members. The unit is subject to Public Act 152 of 2011 which shall limit the Township contribution for all medical insurance expenses ~~to the cap~~ as described in PA 152.

B. Subject to the selection of coverages by the Healthcare Coalition, the terms of any such coverage and the provisions of PA 152, the Township shall deposit, if any, an annual Health Savings Account (HSA) contribution into each employee’s HSA in two installments. One installment shall cover January through ~~August–June~~. The second installment shall cover ~~July September~~ through December. Payments shall be made in January and ~~July September~~.

C. The Township reserves the right to substitute another plan and/or carrier of this coverage; the fundamental provisions of the present coverage will not be changed.

D. An employee who has dual medical insurance coverage may, at his/her option, elect to refuse medical insurance coverage provided by the Township. Such election shall be in writing. The Township shall pay any employee entitled to and refusing medical insurance coverage an amount equal to the current single monthly premium rate for each month not to exceed \$375 per month (or

higher if agreed to or arbitrated by POAM) in which medical insurance coverage is not provided.

- E. Officers, who are hired and/or promoted into the unit and become married after January 1, 2009, whose spouse is also employed by the Township may only be covered under one joint contract and are not eligible to receive a health insurance opt out payment.

- **Article 6, Section 4** shall be deleted.
- **Health Insurance Language: Article 6, Section 7(G)** amended to add new paragraph 3, while paragraphs 1 and 2 regarding health care for current employees and retirees remains open and unresolved:

**The Township shall also provide health and hospitalization coverage to employees who qualify for duty disability retirement, upon separation from the Township. The health and hospitalization shall be as provided to and on the same terms as current employees of the Township until the retiree is eligible for other coverage as called for in the collective bargaining agreement. [CCLP Proposal #13]**
- **Article 10, Section 1 (Use of Sick Time)** shall be amended, in part, to read:
  - A. **Eight (8) Hour Shift.** On an 8-hour shift, sick time taken will be charged hour-for-hour as used, with a maximum of forty (40) hours per week.
  - B. **Ten (10) Hour Shift.** On a 10-hour shift, any sick time taken in any one day of ten (10) hours or less is charged hour-for-hour with a maximum of ten (10) for a single day.
  - C. **Twelve (12) Hour Shift. On a 12-hour shift, any sick time taken in any one day of twelve (12) hours or less is charged hour-for-hour with a maximum of twelve (12) for a single day.**

Each Officer shall accumulate sick leave hours at the basic rate of eight (8) hours per calendar month after the tenth (10<sup>th</sup>) month of employment. [open & unresolved: maximum accumulation]

The Township shall compensate the Officer for twenty-five (25%) percent of his/her total accumulated sick leave based upon his/her base salary upon separation, if not with just cause, or retirement.
- **Article 12, Section 1** shall be amended, in part, to read:

To the extent possible, individual preference for vacations will be honored. ~~The Chief shall grant final approval of vacation periods.~~ **Vacation periods shall be subject to the approval of the Chief.** All requests shall be made on or before April 1 of each year. All other factors being equal, rank, then seniority shall be the determining factor. In the case of a tie, the Chief shall make the determination. Requests for special leave for the purpose of reducing accumulated vacation leave to avoid forfeiture will be granted only when convenient to the Department. The decisions of the Chief on vacation periods shall not be the subject of a grievance, and the Chief may refuse vacation leave when, in his

opinion, the vacation leave would interfere with the efficient operation of the Department.

- **Article 13, Section 2** shall be amended, in part, to read  
Officers covered by this Agreement shall earn pass days each month that they are employed and shall be guaranteed 156 pass days per year on a 4-40 schedule and 104 pass days per year on a 5-day, 8 hour per day work week.  
In the event of mixed schedules **or the adoption of 12 hour shifts**, an Officer shall earn his/her prorata share of pass days based on the above formula.
- **Article 13, Section 3** shall be amended to read:  
**Trading of Pass Days.** Once the schedule is posted, officers may request to trade pass days by submitting a written request to the Chief or his or her designee for approval. Such approval will not be unreasonably withheld. No officer working on a voluntarily traded pass day shall be entitled to overtime because of working on that day.
- **Article 14, Section 1** shall be amended to read:

#### **BEREAVEMENT LEAVE**

**Section 1.** If a death occurs among family members of an Officer's Immediate Family, the Officer will be excused from work to attend the funeral and make other necessary arrangements without loss of pay from the date of death until the day after the funeral, but not more than a total of three (3) days. At the discretion of the Chief, an Officer may, be provided with additional time off under extenuating circumstances. All days in excess of three (3) days taken shall be charged to sick leave.

Immediate Family shall include an Officer's **spouse, child, step-child, father, mother, sister, brother, step-siblings, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandfather, grandmother, grandchild, stepfather, stepmother, half-brother, half-sister, grandmother-in-law and grandfather-in-law.**

**One day of funeral leave, the date of the funeral, is allowed in the case of the death of an uncle, aunt, nephew, and niece.** At the discretion of the Chief, an Officer may be provided with additional time off under extenuating circumstances. All additional days taken shall be charged to sick leave.

- **Article 15** shall be amended to add Presidents Day as a holiday, effective January 1, 2018.
- **Article 16, Section 2** shall be amended to read: “Each Township-owned patrol vehicle shall be equipped with one (1) **long shot** gun in a locking rack.”
- **Article 16, Section 8** shall be amended to read:

Employees may choose to purchase a Department authorized handgun to carry on-duty as a second weapon and, **upon presentation of a receipt or other proof of purchase**, receive a one-time payment of \$200 to be used toward the purchase, or they may utilize the Department owned Glock Model 27. **Current employees must elect whether to participate in this program within 90 days of ratification of this agreement. Employees must elect whether to participate in this program within three (3) years of promotion into this bargaining unit.** The employees who participate in this program forfeit their right to receive a second weapon from the employer. For those employees who do not choose to purchase their own second weapon, the Department will continue to provide the Glock Model 27 as a second weapon.

- **Article 22, Section 2** regarding Step 4 shall be amended to read:  
Step 4 - Arbitration. If the ~~FOP~~ CCLP is not satisfied with the disposition of the grievance by the Township Manager, the grievance may be submitted to an impartial arbitrator, but said submission shall be made within twenty (20) days of receipt of the decision of the Township Manager ~~by the FOP~~. Notice of an intent to arbitrate shall be made by the ~~FOP~~ CCLP in writing to the Township.  
Upon receipt of notice of request for arbitration, the parties shall attempt to agree upon an arbitrator. If the parties are unable to agree upon an arbitrator within ten (10) days of receipt of request for arbitration, ~~the party requesting arbitration shall submit the matter to either the American Arbitration Association or the Federal Mediation and Conciliation Service asking for selection of an arbitrator in accordance with its voluntary labor arbitration rules~~ **CCLP may file for and request a list of arbitrators from MERC. CCLP agrees to pay any fees related to obtaining a list of arbitrators. The parties may mutually agree in writing to use the process and procedure of the American Arbitration Association in lieu of the procedure set forth above.**  
Upon mutual agreement of the parties, an arbitrator may hear more than one case at a time.  
*[remainder of Step 4: status quo]*
- **Duration:** 3 year term
- Unit members may change their deduction/tax withholding up to four (4) times per calendar year.