

**MICHIGAN DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
MICHIGAN EMPLOYMENT RELATIONS COMMISSION
BUREAU OF EMPLOYMENT RELATIONS
COMPULSORY ARBITRATION Pursuant to Public Act 312 of 1969, as amended
[MCL 423.231, *et seq*]**

**BROWNSTOWN PROFESSIONAL FIRE
FIGHTERS UNION, LOCAL 4112, I.A.F.F.,**

Petitioner/Union,

and

MERC Case No. 22-L-2251-CB

**CHARTER TOWNSHIP OF
BROWNSTOWN,**

Respondent/Employer.

DIRECTED AWARD OF THE ARBITRATION PANEL

Arbitration Panel

Chair: **Allen Kovinski**
Employer Delegate: **Kevin Foley**
Union Delegate: **Michael O'Hearon**

Advocates

Employer Advocate: **Kevin Foley**
Union Advocate: **Michael O'Hearon**

RECEIVED
STATE OF MICHIGAN
JAN. 5, 2024
Employment Relations
Commission
Detroit Office

PETITION(S) FILED: May 3, 2023
PANEL CHAIR APPOINTED: May 16, 2023
SCHEDULING CONFERENCE HELD: May 30, 2023
HEARING DATE(S) HELD: October 2, 2023
AWARD ISSUED: December 21, 2023

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WITNESS LIST

Witness lists were filed by the parties; however, as explicated in the next section of this Award, the evidentiary hearing of this matter was never commenced, thus there were no witnesses called.

INTRODUCTION AND BACKGROUND

The parties to this matter have a well-established bargaining relationship. The Union represents a bargaining unit consisting of all full-time firefighters employed by the Employer's fire department. Prior to the expiration of the most recent collective bargaining agreement, the parties began meeting to negotiate a successor agreement in early December 2022. The parties met again in late January 2023 and when they were unable to reach an agreement, filed for mediation. Mediator Wanda Mayes met with the parties on March 6, 2023 and April 4, 2023. Although two tentative agreements on relatively minor issues were reached, the parties remained divided on major economic issues. Thereafter, the Union filed its petition for Act 312 arbitration on May 3, 2023.

After the appointment of the Panel Chair by the Commission, the statutorily prescribed prehearing procedures were adhered to by the parties at the direction of the Panel Chair. The matter was set for a three-day hearing on October 2, 3, and 4, 2023.

On the first scheduled day of hearing the parties entered into lengthy and constructive discussions. Because the parties were optimistic that their discussions might yield a resolution to this matter, the Panel Chair granted their request for a delay to the commencement of the hearing. The discussions lasted at least five hours and, at their conclusion, the parties agreed to the cancellation of the evidentiary hearing and the issuance of this Directed Award. It is important to distinguish this Award from a

stipulated award. The Panel has determined that, in its totality, this Award meets the statutory criteria delineated in Section 9 of Act 312 and is equitable to the parties under the circumstances of this case. Unlike a stipulated award, this Award accommodates the parties' divergent positions in the determination of the individual issues. However, the Panel is clear that, based upon the totality of the evidence as established in the exhibits exchanged by the parties and the stipulations of the parties on October 2, 2023, this Directed Award disposes of the issues in dispute in a manner preferable to the parties than extensive, costly, and unpredictable litigation.

STATUTORY CRITERIA

Section 9 of Act 312 provides the statutory criteria upon which the Award of the panel must be based. Section 9 (MCL 423.239) states:

Sec. 9. (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 financial stability and choice act, 2012 PA 436, MCL 141.1541 to 141.1575, 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.

(j) If applicable, a written document with supplementary information relating to the financial position of the local unit of government that is filed with the arbitration panel by a financial review commission as authorized under the Michigan financial review commission act.

(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.

As indicated in the previous section of this Award, the Parties met for approximately five (5) hours on the first day of the scheduled hearing, diligently working to resolve their differences on the issues in dispute. During those discussions it became clear that the Employer has the ability to pay for the benefits demanded by the Union. This is consistent with the Parties' positions stated in the prehearing conference. While

the Union took the position that the Employer had the ability to pay, the Employer, without denying the ability, expressed reservations sounding in fiscal prudence and responsibility. These positions did not change during the Parties' discussions on October 2, 2023. As such, it is the determination of the Panel that, pursuant to the factor articulated in Section 9(1)(a) of the Act, the Employer has sufficient ability to pay for the benefits awarded in this Directed Award. Further, the Panel finds that the discussions between the Parties on the first scheduled day of hearing, which ultimately led to this Directed Award, weigh heavily in concluding that the factors articulated in Sections 9(1)(c); 9(1)(d); 9(1)(e); 9(1)(h); and 9(1)(i) of the Act support the awards on the issues contained herein.

3. STIPULATIONS AND PRELIMINARY RULINGS

In advance of the scheduled hearing, the parties stipulated that the duration of the new collective bargaining agreement would be four years, from January 1, 2023 through December 31, 2026. Additionally, during the bargaining/mediation process the parties reached tentative agreements on the issues of Seniority and Residency. By stipulation of the parties, those tentative agreements are hereby incorporated by reference into this Award and shall be integrated into the new collective bargaining agreement.

During the parties' discussions on October 2, 2023 and pursuant to Rule 7(3)(c)(ii), the parties stipulated to allow the Union to modify several of its last offers of settlement. Accordingly, some of the Union's last offers of settlement explicated in Section 5 of this Award reflect the modified offer pursuant to the stipulation of the parties and, where such modification has been made, an appropriate notation is included. The Union also withdrew its three issues related to Retiree Healthcare on October 2, 2023,

accepting the Employer's invitation to instead address these issues in Township-wide healthcare discussions with all Unions representing Township employees.

4. COMPARABLES

Prior to exchanging exhibits for the hearing, the parties stipulated to the following four comparable communities: Lincoln Park; Madison Heights; Romulus; and, Southgate.

5. ISSUES BEFORE THE PANEL

I. WAGES, RETROACTIVITY, OFFICER DIFFERENTIALS, STARTING WAGES FOR NEW HIRES – (All Economic)

The parties brought several wage-related issues before the Panel, which has decided to address all of the wage issues in a single section of this Directed Award. The Union brought four separate issues regarding wage increases, with each year of the collective bargaining agreement being pled as a separate issue. The Union also brought the issue of retroactivity, although its last offer of settlement proposes a lump sum stipend in lieu of retroactive wages. Further, the Union proposed establishing a set percentage differential between ranks. The Employer brought a separate issue regarding increasing the starting wages for new hires beginning in 2024. The parties' last offers of settlement on each of these issues proposed modifications to Article 32 of the collective bargaining agreement. Section 32.1 of the collective bargaining agreement contains a chart of wages by rank for each year of the collective bargaining agreement. A revised wage chart to be inserted into Section 32.1 as a result of this award is attached hereto.

WAGES – January 1, 2023

Union last offer of settlement:

ARTICLE 32 – WAGES

SECTION 32.1

* * *

~~2021 – 2%, 2022 – 2% (No retroactive pay or benefits)~~
2023 (No retroactive payments, establishing wage rate and differential pay)

<u>Firefighter</u>	<u>3%</u>
<u>Sergeant</u>	<u>3% + \$500</u>
<u>Lieutenant</u>	<u>3% + \$1000</u>
<u>Captain</u>	<u>3% + \$2000</u>

Employer last offer of settlement:

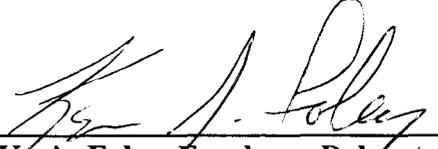
Effective January 1, 2023 — 3% across the board with full retroactivity.

The Panel notes that both parties conflated other issues with the issue of first-year wage increases. The Union's LBO includes references to both retroactivity and officer differentials, while the Employer's last offer of settlement includes full retroactivity. Incorporating retroactivity and officer differentials in the treatment of a first year wage increase may be intuitively appealing; but, conflating the issues complicates matters for the Panel given the statutory requirement that the Panel must adopt one of the parties' last offers as written on each economic issue. MCL 423.238.

Based primarily upon the discussions and stipulations of the parties, the majority of the Panel finds that the Employer's last offer of settlement on wage increases in 2023 most closely comports with the Section 9 factors, particularly Sections 9(1)(c); 9(1)(d); 9(1)(e); 9(1)(h); and 9(1)(i).


Allen Kovinski, Panel Chair


Michael O'Hearon, Union Delegate
 Concurs Dissents


Kevin Foley, Employer Delegate
 Concurs Dissents

RETROACTIVITY – Union Issue (Economic)

The Union proposes modifying Section 32.1 of the collective bargaining agreement to include a \$3000 one-time bonus in lieu of retroactive pay. The Employer, pursuant to its LBO on first-year wages which has already been awarded by the Panel, proposes full retroactivity.

Union last offer of settlement:

ARTICLE 32 – WAGES

SECTION 32.1 Upon ratification of the ~~2021-2022~~ 2023-2026 collective bargaining agreement or the issuance of an Act 312 Award, the Township will pay each current bargaining unit member a one-time ~~ratification~~ bonus of ~~\$2,000~~ \$3,000. This payment is in lieu of any retroactive payments or benefits. Wages shall be paid on a per hour basis in accordance with the table below. Overtime shall be computed at 1^{1/2} the rate listed below.

* * *

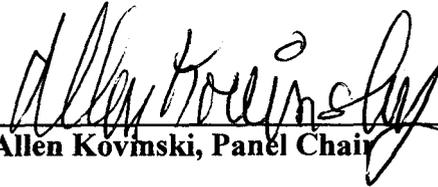
Employer last offer of settlement:

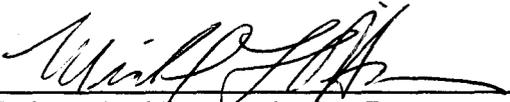
Effective January 1, 2023 — 3% across the board with full retroactivity.

Pursuant to the award of the Panel on the issue of wage increases in 2023, the Panel is constrained to awarding the Employer's LBO on retroactivity.

Based primarily upon the discussions and stipulations of the parties, the majority of the Panel finds that the Employer's last offer of settlement on

retroactivity most closely comports with the Section 9 factors, particularly Sections 9(1)(c); 9(1)(d); 9(1)(e); 9(1)(h); and 9(1)(i).


Allen Kovinski, Panel Chair


Michael O'Hearon, Union Delegate
 Concurs Dissents


Kevin Foley, Employer Delegate
 Concurs Dissents

WAGES – January 1, 2024

Union last offer of settlement:

ARTICLE 32 – WAGES

SECTION 32.1

* * *

<u>2024</u>	
<u>Firefighter</u>	3%
<u>Sergeant</u>	3% + \$500
<u>Lieutenant</u>	3% + \$1000
<u>Captain</u>	3% + \$2000

Employer last offer of settlement:

Effective January 1, 2024 — 2% across the board except:
Firefighter Start: \$52,516.

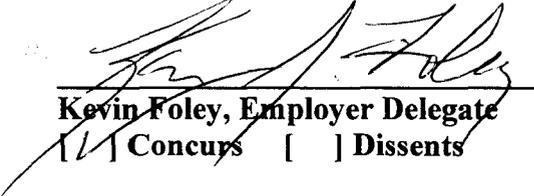
The Panel again notes that parties conflated other issues with the issue of 2024 wage increases. Most significantly, the Employer's last offer of settlement includes its proposal (on its own issue) to increase annual starting wages for firefighters to \$52,516. The Union's LBO includes components of what it hoped to be a gradual implementation

of officer differential pay. Subsequently in this Award, the issue of officer differentials is disposed of in favor of the Union on an LBO modified by stipulation on October 2, 2023. As such, the Employer's last offer of settlement on 2024 wage increases and its new hire wage increase brings consistency to the collective bargaining agreement and balance to the Award and are adopted by the Panel.

Based primarily upon the discussions and stipulations of the parties, the majority of the Panel finds that the Employer's last offer of settlement on wage increases in 2024 most closely comports with the Section 9 factors, particularly Sections 9(1)(c); 9(1)(d); 9(1)(e); 9(1)(h); and 9(1)(i).


Allen Kovinski, Panel Chair


Michael O'Hearon, Union Delegate
 Concurs Dissents


Kevin Foley, Employer Delegate
 Concurs Dissents

STARTING WAGES FOR NEW HIRES – Employer Issue (Economic)

The Union proposes modifying Section 32.1 of the collective bargaining agreement to modify starting pay only as it applies to new employees with prior professional firefighting experience. The Employer, pursuant to its LBO on 2024 wage increases which has already been awarded by the Panel, proposes to increase starting pay for new fire fighters two \$52,516 annually.

Union last offer of settlement:

ARTICLE 32 – WAGES

SECTION 32.1

* * *

For new hires, the Township will place candidates on the ~~12-month or 24 months (level)~~ 12 Months, 24 Months or 36 Months steps (level), which will equal a candidate's years of current full-time experience as a sworn firefighter (limited to ~~2~~ 3 years) known as lateral pay. Effective [Date of Act 312 Award], the Fire Fighter wage scale shall be reduced from five (5) steps to three (3) steps (each step above starting wage representing one additional year of service) and the Township's previously proposed \$2.00 per hour increase shall be implemented in addition to the annual contractual wage increases.

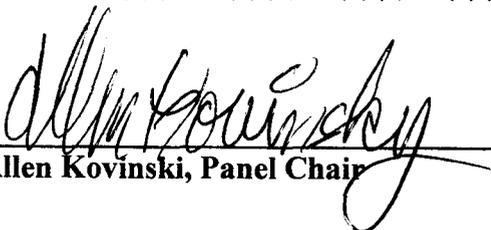
* * *

Employer last offer of settlement:

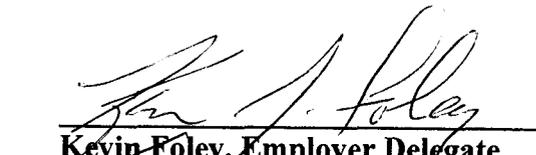
Effective January 1, 2024 — 2% across the board except: Firefighter Start: \$52,516.

Pursuant to the award of the Panel on the issue of wage increases in 2024, the Panel is constrained to awarding the Employer's LBO on starting pay for new hires. Further, the parties agree that an increase in starting pay is desirable to increase recruiting and retention within the bargaining unit.

Based primarily upon the discussions and stipulations of the parties, the majority of the Panel finds that the Employer's last offer of settlement on starting wages for new hires most closely comports with the Section 9 factors, particularly Sections 9(1)(c); 9(1)(d); 9(1)(e); 9(1)(h); and 9(1)(i).


Allen Kovinski, Panel Chair


Michael O'Hearon, Union Delegate
 Concurs Dissents


Kevin Foley, Employer Delegate
 Concurs Dissents

OFFICER DIFFERENTIALS – Union Issue (Economic)

On October 2, 2023, the parties stipulated to allow the Union to modify its LBO on its issue of Officer Differentials. As a result of that modification, the Union proposes to add a new section to Article 32 of the contract which provides, beginning upon the issuance of this Directed Award, an ascending differential between ranks of 4% increasing to 5% and 6% on January 1, 2024 and January 1, 2025, respectively. The Employer favors maintaining the *status quo*.

Union last offer of settlement:

ARTICLE 32 – WAGES

* * *

SECTION 32.2 Beginning on [Date of Act 312 Award], a minimum wage differential of 4% shall be maintained between each rank. On January 1, 2024, a minimum wage differential of 5% shall be maintained between each rank. On January 1, 2025, a minimum wage differential of 6% shall be maintained between each rank.

Employer last offer of settlement:

The Employer proposes that the contract remain status quo with wage differences stated on the wage scale.

Consistent with the Panel’s findings and reasoning on the Employer’s issue on Starting Wages for New Hires, and given that an increase in the differential between ranks will provide motivation for bargaining unit members to seek promotion through the ranks, thus improving retention of employees, the Panel adopts the Union’s LBO on this issue.

Based primarily upon the discussions and stipulations of the parties, the majority of the Panel finds that the Union's last offer of settlement on officer differentials most closely comports with the Section 9 factors, particularly Sections 9(1)(c); 9(1)(d); 9(1)(e); 9(1)(h); and 9(1)(i).


Allen Kovinski, Panel Chair


Michael O'Hearon, Union Delegate
 Concurs Dissents


Kevin Foley, Employer Delegate
 Concurs Dissents

WAGES – January 1, 2025

On October 2, 2023, the parties stipulated to allow the Union to modify its LBO on 2025 wage increases. As a result of that modification, the Union proposes a 3% across-the-board wage increase, while the Employer proposes an across-the-board increase of 2.5%.

Union last offer of settlement:

ARTICLE 32 – WAGES

SECTION 32.1

* * *

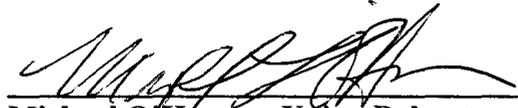
<u>2025</u>	
<u>Firefighter</u>	3%
<u>Sergeant</u>	3%
<u>Lieutenant</u>	3%
<u>Captain</u>	3%

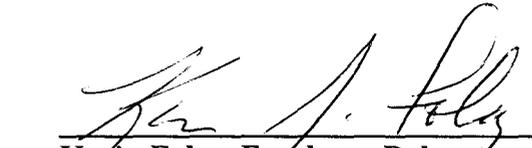
Employer last offer of settlement:

Effective January 1, 2025 — 2.5% across the board.

Based primarily upon the discussions and stipulations of the parties, the majority of the Panel finds that the Union's last offer of settlement on 2025 wage increases most closely comports with the Section 9 factors, particularly Sections 9(1)(c); 9(1)(d); 9(1)(e); 9(1)(h); and 9(1)(i).


Allen Kovinski, Panel Chair


Michael O'Hearon, Union Delegate
 Concurs Dissents


Kevin Foley, Employer Delegate
 Concurs Dissents

WAGES – January 1, 2026

Union last offer of settlement:

ARTICLE 32 – WAGES

SECTION 32.1

* * *

2026
Firefighter 3%
Sergeant 3% + \$500
Lieutenant 3% + \$1000
Captain 3% + \$2000

Employer last offer of settlement:

Effective January 1, 2026 — 2.5% across the board.

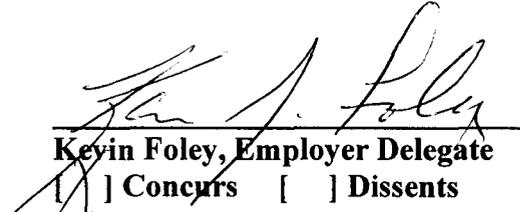
The Panel notes that the Union conflated other issues with the issue of 2026 wage increases. The Union's LBO includes components of what it hoped to be a gradual implementation of officer differential pay. Previously in this Award, the issue of officer

differentials is disposed of in favor of the Union on an LBO modified by stipulation on October 2, 2023. As such, the Employer's last offer of settlement on 2026 wage increases is adopted by the Panel.

Based primarily upon the discussions and stipulations of the parties, the majority of the Panel finds that the Employer's last offer of settlement on wage increases in 2026 most closely comports with the Section 9 factors, particularly Sections 9(1)(c); 9(1)(d); 9(1)(e); 9(1)(h); and 9(1)(i).


Allen Kovinski, Panel Chair


Michael O'Hearon, Union Delegate
 Concurs Dissents


Kevin Foley, Employer Delegate
 Concurs Dissents

**II. ACTIVE EMPLOYEE INSURANCE – Short-term Opt out -
Union Issue (Economic)**

The Union seeks to clarify and codify, in Articles 21 and 22 of the collective bargaining agreement, a practice allowing its bargaining unit members to opt out of short-term disability insurance and, instead utilize their accrued sick leave. The Employer's LBO opposes any contract modification.

Union last offer of settlement:

ARTICLE 21 – INSURANCE

* * *

SECTION 21.6 The Township agrees to provide each employee in the Bargaining Unit with a \$40,000 Group Life Insurance Policy. In addition, the Township shall provide an accident and sickness disability policy wherein the employee shall be paid sixty-six and two-thirds (66 2/3) of his base pay, up to a maximum of Three Hundred Fifty Dollars (\$350) per week, for twenty-six (26) weeks for disability due to a non-employment injury or illness, as soon as the insurance carrier can provide coverage. Said payments shall commence on the first day in case of accident and on the eighth (8th) day in case of illness or hospitalization. To be clear, this shall only apply if an employee opts to file for and be covered by the Township's sickness and accident insurance coverage. Employees who choose not to be covered by the accident and disability policy shall continue to use leave time hour-for-hour based upon time used for twenty-six (26) weeks.

Commencing six (6) months after disability, employees are eligible for payment of sixty percent (60%) of salary, up to a maximum of Four Thousand Dollars (\$4,000) per month, payable to age 65. The maximum would be offset by any other disability payment, such as workers compensation or social security, and shall apply to both duty and non-duty disability.

The benefits to be provided shall be controlled by the insurance policy language; the above language setting forth the benefits shall be illustrative only. In the event of any dispute, the insurance contract language shall prevail.

* * *

ARTICLE 22 - SICK LEAVE

* * *

SECTION 22.4 The Employer shall continue the Sickness and Accident Insurance coverage as provided in Article 21. In addition, the township agrees that an employee shall be entitled to utilize his/her accrued sick leave time on a pro-rata basis for all time not covered by the

Sickness and Accident Insurance benefits so as to provide the-employee full pay limited to 212 straight time hours per 28-day tour of duty for time off work due to verifiable sickness or non-duty disability. To be clear, this applies to leaves greater than 14 calendar days. This shall not apply to “on job injury”. This shall only apply if an employee opts to file for and be covered by the Townships Sickness and Accident Insurance coverage. Employees who choose not to be covered by the accident and disability policy shall continue to use hour-for-hour based upon time used.

Employer last offer of settlement:

The Employer proposes that the contract remain status quo.

The parties have no dispute that the Union's LBO reflects a historical practice in their relationship. As such, the Panel adopts the Union's last offer of settlement on this issue.

Based primarily upon the discussions and stipulations of the parties, the majority of the Panel finds that the Union's last offer of settlement on active employee insurance – short term opt out most closely comports with the Section 9 factors, particularly Sections 9(1)(c); 9(1)(d); 9(1)(e); 9(1)(h); and 9(1)(i).


Allen Kovinski, Panel Chair


Michael O'Hearon, Union Delegate
 Concurs Dissents


Kevin Foley, Employer Delegate
 Concurs Dissents

III. SICK LEAVE – Accruals – Union Issue (Economic)

The Union's last offer of settlement on this issue essentially rewrites several sections of the sick leave article in the collective bargaining agreement in an effort to restore the essence of a previous agreement between the parties. The Employer opposes any modification.

Union last offer of settlement:

ARTICLE 22 – SICK LEAVE

* * *

~~**SECTION 22.2** — Each employee working the 24 hour schedule shall be credited with 17 days (408 hours) of sick leave per year of service. Each employee may accumulate a maximum “sick bank” of 180 days (4320 hours). Beginning with the 13th year of service the annual sick leave bank will be reduced to 5 days (120 Hours). New employees with less than one (1) year of service shall receive a prorated share of sick leave. 5 days (120 Hours) can be used in no less than six (6) hour increments. If an employee uses less than 120 hours of sick leave in a calendar year, the Township shall pay, at the employee’s straight time rate, hour for hour of all unused sick time, not to exceed 96 hours. Sick time will not be carried over for each hour paid.~~

~~Each employee working the 8 hour schedule shall be credited with 32.5 days (260 hours) of sick leave per year of service. Each employee may accumulate a maximum “sick bank” of 390 days (3120 hours). Beginning the 13th year of service the annual sick leave bank will be reduced to 5 days (40 Hours). New employees with less than one (1) year of service shall receive a prorated share of sick leave. 5 days (40 Hours) can be used in no less than two (2) hour increments. If an employee uses less~~

~~than 40 hours of sick leave in any year, the Township shall pay, at the employee's straight time rate, the difference between 40 hours and the number of hours actually used, not to exceed 5 days (40 hours).~~

SECTION 22.2 Short Term Sick Leave – 24 hour employee

Each employee shall receive a total of 5 days (120) hours each year to allocate toward short term illness or non-duty disability. Employees with less than one (1) year of service shall receive a prorated share of short term sick leave. Time can be used in increments of no less than six (6) hours. If an employee uses less than 120 hours of short term sick leave in a calendar year, the Township shall pay, at the employee's straight time rate, hour for hour of all unused sick time, not to exceed 120 hours. Sick time will not be carried over for each hour paid.

Short Term Sick Leave – 8 hour employee

Each employee shall receive a total of 5 days (40) hours each year to allocate toward short term illness or non-duty disability. Time can be used in increments of no less than two (2) hours. If an employee uses less than 40 hours of short term sick leave in a calendar year, the Township shall pay, at the employee's straight time rate, hour for hour of all unused sick time, not to exceed 40 hours. Sick time will not be carried over for each hour paid.

SECTION 22.3 ~~For leaves, greater than 14 calendar days, required due to sickness or non-duty disability, the employee shall not receive service time with the Township for purposes of determining the amount of an employee's vacation or sick time coverage. For leaves, greater than twenty six (26) weeks, the employee shall not receive service time with the Township for purposes of determining the amount of an employee's vacation, sick time and pension credit.~~

SECTION 22.3 Long Term Sick Leave – 24 hour employee

Each employee shall receive full pay for time off work due to verifiable sickness or non-duty disability equal to a period of two (2) months (225 hours/month) for each completed year of service with the Township to a maximum of eighteen (18) months of coverage. Employees with less than one (1) year of service shall receive a prorated share of long term sick leave. The period of a leave of absence shall not count as service time with the Township for purposes of determining the amount of an employee's sick time coverage. Once an employee has utilized sick time benefits, the employee has lost those benefits, and additional sick time must be earned through time worked after the employee's return from sick time. Long term sick time shall not be counted as service time in rebuilding the employee's coverage. Unless said sick leave is a direct result of an "on job injury."

Long Term Sick Leave – 8 hour employee

Each employee shall receive full pay for time off work due to verifiable sickness or non-duty disability equal to a period of two (2) months (173 hours/month) for each completed year of service with the Township to a maximum of eighteen (18) months of coverage. Employees with less than one (1) year of service shall receive a prorated share of sick leave. The period of a leave of absence shall not count as service time with the Township for purposes of determining the amount of an employee's sick time coverage. Once an employee has utilized sick time benefits, the employee has lost those benefits, and additional sick time must be earned through time worked after the employee's return from sick time. Long term sick time shall not be counted as service time in rebuilding the employee's coverage. Unless said sick leave is a direct result of an "on job injury".

SECTION 22.6 The following procedures shall apply to the use and reporting of sick leave:

- A) Except as provided below, an employee shall receive full pay for time off without providing medical certification for a time period not to exceed two days (48 hours).

- B) An employee absent for more than forty-eight (48) hours, two (2) days, per incident shall be required to produce evidence verifying the adequacy of the reason for his or her absence during the time for which leave is requested. Such evidence shall consist of at least a physician's certificate. Management shall reserve the right to require a medical examination or proof thereof, of all employees whenever a request for sick leave of any duration is made. In no event shall an employee have an unexcused absence of more than two (2) days.

- C) Once employee has exhausted their ~~annual~~ short term sick leave bank or 120 hours of sick time the employee shall be required to produce evidence verifying the adequacy of the reason for his or her absence during the time for which leave is requested. Such evidence shall consist of at least a physician's certificate.

- D) All applicable sick leave taken, by an employee, of whatever duration, shall first be charged against the employee's "short term sick bank". The time charged to the bank shall be hour for hour based upon time used. Any additional sick time taken after an employee has exhausted their short term sick bank

shall be charged to the employee's "long term sick bank"

* * *

SECTION 22.11 Upon submitting for retirement, according to the MERS standards, a 24 hour employee hired on or before January 1, 2010 shall receive remuneration for unused and accumulated sick time as illustrated:

Max Bank of 4320 hours	=	\$15,000
4000 hours + =		\$12,500
3000 hours + =		\$10,000
2000 hours + =		\$ 7,500
1000 hours + =		\$ 5,000

Upon submitting for retirement, according to the MERS standards, an 8 hour employee hired on or before January 1, 2010 shall receive remuneration for unused and accumulated sick time as illustrated:

Max Bank of 3120 hours	=	\$15,000
2888 hours + =		\$12,500
2166 hours + =		\$10,000
1444 hours + =		\$ 7,500
721 hours + =		\$ 5,000

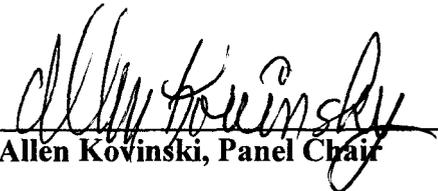
Employer last offer of settlement:

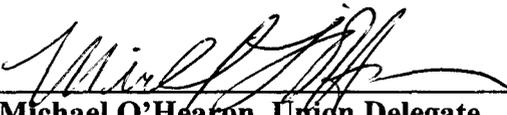
The Employer proposes that the contract remain status quo and that the prior contractual provisions not be re-implemented with all subsequent benefits attached.

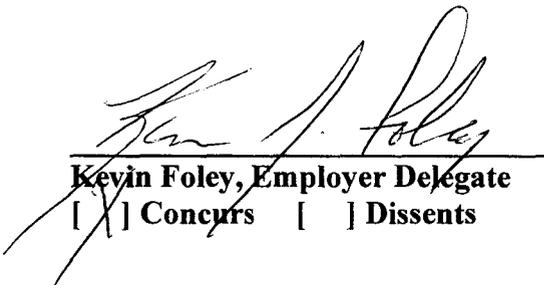
The Panel notes that the sick leave issue brought by the Union is intricate and touches not only on sick leave accrual, but other procedural and compensation-related issues. As such, the Panel finds that this issue requires additional negotiations between the parties or the presentation of the case on the merits at an evidentiary hearing before

the Panel would be willing to disturb the status quo. Therefore, the Panel adopts the last offer of settlement of the Employer.

Based primarily upon the discussions and stipulations of the parties, the majority of the Panel finds that the Employer's last offer of settlement on sick leave accruals most closely comports with the Section 9 factors, particularly Sections 9(1)(c); 9(1)(d); 9(1)(e); 9(1)(h); and 9(1)(i).


Allen Kovinski, Panel Chair


Michael O'Hearon, Union Delegate
 Concurs Dissents


Kevin Foley, Employer Delegate
 Concurs Dissents

IV. VACATION – ACCRUALS – Union Issue (Economic)

On October 2, 2023, the parties stipulated to permit the Union to modify its last offer of settlement as it relates to vacation accruals. As a result of those modifications, the Union seeks to modify Section 31.1 of the collective bargaining agreement by adding additional vacation accruals for more senior members of the bargaining unit. The Employer seeks to maintain the *status quo*.

Union last offer of settlement:

SECTION 31.1 Effective January 1, 2024, full-time ~~Full-time~~ employees shall be entitled to vacations in accordance with the schedule below:

24-hour shift: Hired before January 1, 2008.

5-9 years	312 hours
10-15 <u>20</u> years	312 hours
<u>20+ years</u>	<u>336 hours</u>

24-hour shift: Hired after January 1, 2008

One year	96 hours
2-4 years	144 hours
5 years	192 hours
6-7 years	216 hours
8 years	240 hours
9 years	264 hours
<u>10 + years</u>	<u>288 hours</u>

8-hour shift

5-9 years	160 hours
10-14 years	168 hours
15-20 years	200 hours
<u>20+ years</u>	<u>220 hours</u>

* * *

Employer last offer of settlement:

The Employer proposes that the contract remain status quo.

Because the parties have expressed an interest in retaining employees in the bargaining unit in addition to enhancing abilities to recruit new fire fighters, the Panel finds that offering an improved vacation benefit to employees who have given more than

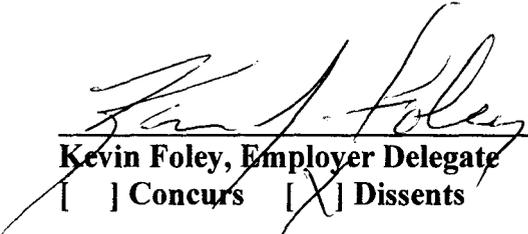
a decade of service to the department is reasonable under the circumstances of this case.

As a result, the Panel adopts the Union's LBO on this issue.

Based primarily upon the discussions and stipulations of the parties, the majority of the Panel finds that the Union's last offer of settlement on vacation accrual most closely comports with the Section 9 factors, particularly Sections 9(1)(c); 9(1)(d); 9(1)(e); 9(1)(h); and 9(1)(i).


Allen Kovinski, Panel Chair


Michael O'Hearon, Union Delegate
 Concurs [] Dissents


Kevin Foley, Employer Delegate
[] Concurs Dissents

V. PENSION – FUNDING – Union Issue (Economic)

On October 2, 2023, the parties stipulated to permit the Union to modify its last offer of settlement on pension funding. As a result of those modifications, the Union seeks to modify Section 33.5 of the collective bargaining agreement to increase the Employer's contribution to employees in the defined contribution plan from 15% to 20%. Further, the Union seeks to modify Section 33.6 of the contract to remove the limitation on Employer contributions to the defined benefit pension plan and more equitably share the funding obligations of the Employer and the employee. The Employer proposes the maintenance of the current contract language.

Union last offer of settlement:

ARTICLE 33 – PENSION

* * *

SECTION 33.5 Employees may opt to remain in the existing pension plan. An employee who chooses to remain in the DC system and is a participant in the plan for twenty (20) months shall be entitled to receive the full vested contribution upon their termination of employment. The Employer will assist in expediting receipt of funds upon termination. The Employer’s Contribution for those employees who remain in the existing defined contribution pension plan shall be ~~15-20%~~ of base wage and those employees may make voluntary contributions to the plan.

SECTION 33.6 Employer contribution towards the MERS Pension shall be capped at the lesser of 15% of base wages of the Union members, or the actuarially determined contribution rate reported by MERS in its annual audit. Any additional deficiencies in the contribution amount above the amount of the Employers maximum contribution rate of 15% of base wages for Employees towards the unfounded liabilities or current costs shall be paid by the employees. The Township shall have no liability for any amount over its maximum contribution rate of 15% of base wages for Employees. All employees hired after January 1 2017 shall have the employer’s contribution capped at the lesser of 10% of base wages or the actuarially determined contribution rate reported by MERS in its annual audit. the first 20% of the base wages of the bargaining unit members required by the ARC. If the ARC exceeds 20% of base wage, employees’ contribution shall be up to 15%, unless the ARC exceeds 35%. Any additional deficiencies in the contribution amount above the Employer and employees combined amount of 35% shall be shared equally by the employer and employees. If the ARC ever

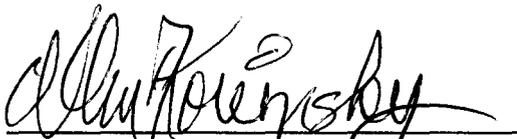
exceeds 50% of base wages, the parties agree to reopen negotiations as to the funding of the pension plan going forward.

Employer last offer of settlement:

The Employer proposes that the contract remain status quo.

The Panel is persuaded that the parties recognize the continuing value of providing a competitive pension benefit in their efforts to increase recruiting and retention within the bargaining unit. Because it preserves the current benefit and more equitably shares the responsibility of funding the pension, the Panel adopts the Union's last offer of settlement on pension funding.

Based primarily upon the discussions and stipulations of the parties, the majority of the Panel finds that the Union's last offer of settlement on pension funding most closely comports with the Section 9 factors, particularly Sections 9(1)(c); 9(1)(d); 9(1)(e); 9(1)(h); and 9(1)(i).


Allen Kovinski, Panel Chair


Michael O'Hearon, Union Delegate
 Concurs [] Dissents


Kevin Foley, Employer Delegate
[] Concurs Dissents

VI. LIGHT DUTY – Employer Issue (Economic)

The Employer seeks to implement a policy to provide for bargaining unit members who are injured on duty or off duty to be assigned to work within their medical

restrictions during their period of disability and to have that policy codified within the collective bargaining agreement. On October 2, 2023, the parties stipulated to permit the Union to modify its last offer of settlement on this issue. The Union does not oppose the implementation of a light duty policy. It has proposed creating new Section 35.12 and creating an appendix to the collective bargaining agreement to contain the provisions for restricted duty.

Union last offer of settlement:

ARTICLE 35 – MISCELLANEOUS

* * *

SECTION 35.12 The policies and procedures governing Light Duty assignments for bargaining unit members is contained in Appendix C of this agreement.

* * *

APPENDIX C **RESTRICTED DUTY**

Purpose: It is the purpose of this policy to establish procedures and eligibility for temporary restricted duty assignments for employees who sustain an injury or incur an illness while on or off duty.

Scope: This policy is intended for all members of the Brownstown Fire Department.

Policy: An alternate duty assignment for reasons of temporary physical or mental disability from an employee's normal job duties may be made by the Department on a case-by-case basis. An employee

is not required to exhaust their sick leave or other paid leave benefits to be considered for alternate duty.

If the Department decides to make an alternate duty assignment in any particular situation, such decision shall not constitute a precedent. The employee, while on restricted duty, shall receive his/her current rate of pay, as described in paragraph 6 of the Procedure section below, with no deductions from sick time or other paid leave benefits.

1. An employee is eligible for restricted duty when the doctor releases the employee back to work with restrictions.
2. Employees whose medical restrictions are the result of a duty related injury or illness may be called to restricted duty that the Department considers consistent with medical restrictions.
3. Employees may request restricted duty for non-duty related injury or illness.
4. Personnel with a duty-related injury or illness shall be given preference over non-duty related injury or illness.
5. Assignment to alternate duty does not affect an employee's pay classification or pay increases.
6. Employees on alternate duty assignment shall attend classroom type schooling to maintain any necessary departmental licensing and certifications.
7. Employees on alternate duty assignment are not eligible for overtime without advance written approval from the Chief.

Procedure:

1. When, after examination for an injury or illness incurred while on or off duty, a Physician or other qualified practitioner indicates that an employee may work with restrictions. The employee may be required, if a work-

related injury or illness, or may, if the injury or illness is not work-related, submit a request for restricted duty in writing to the Chief or his designee. If the injury or illness is not work-related, the employee must also obtain from a qualified healthcare provider all medical restrictions in writing. This documentation shall be on a form provided by the Township and shall accompany the employee's written request for an alternate duty assignment.

2. If an alternate duty assignment is required or approved, the employee will be notified by the Chief or his designee when to report. The Chief or his designee shall also notify the Human Resources Director.
3. Any updates on the employee's medical restrictions or status must be communicated to the Chief or his designee and HR as soon as possible. Any and all paperwork related to the employee's treatment and condition must be submitted in a timely manner.
4. A full clearance to resume regular work activities, from a physician or other qualified practitioner, satisfactory to the Fire Department is required prior to an employee being approved to return to full duty.
5. Alternate duty may be scheduled for a maximum of twenty-eight {28} days for any one period; at which time, it will be re-evaluated for continuance by the Chief or his designee. Circumstances requiring alternate duty assignments to continue beyond six {6} months must be approved by both the Chief and the Human Resource Director.
6. Employees placed on restricted duty will be detailed to a 40-hour shift for the duration of their restricted duty assignment. During the restricted duty assignment, hourly compensation shall be determined by dividing the

employee's annual base wages by 2080. The accrual and usage of leave time while on restricted duty shall be consistent with their 40-hour schedule and all compensation for time worked and leave time used shall comply with the Fair Labor Standards Act.

7. Employees working alternate duty will not be counted as daily staffing.
8. Employees working alternate duty will report to Station 1 unless directed otherwise by the Chief or his designee. Employees shall be excused from the station to allow for scheduled physical therapy or other medical treatment.
9. Employees who qualify for restricted duty may be called upon to do any or all of the following, consistent with their medical restrictions and if not in conflict with Local 4112's contract or another bargaining unit's collective bargaining agreement: (These examples do not include all of the tasks which an employee may be expected to perform.
 1. Station duties
 2. Delivering supplies to the stations
 3. Assisting the Deputy Chief
 4. Assisting the Assistant Chief
 5. Assisting the Training Officer
 6. Performing site surveys and pre-plans

Employer last offer of settlement:

Light duty may be required for Employees who incur an injury or illness which is work-related and who are unable to carry out regular firefighting duties, subject to the limitations below, and at the Township's sole discretion.

- A. The Employee has been cleared by the Township's physician or the Township has accepted the clearance of the Employee's physician.
- B. The work/duties assigned by the Township may be in any department, but shall be consistent with the Employee's medical restrictions.

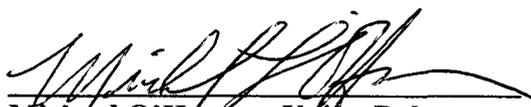
- C. Employees assigned to light duty shall be converted to a forty-hour work schedule.
- D. Light duty assignments may be rescinded by the Township, at any time, within its sole discretion.

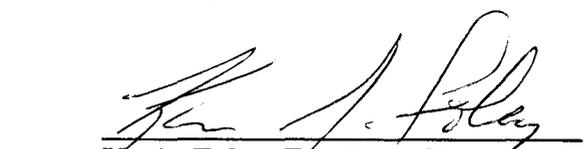
Light duty may be requested by Employees who incur an injury or illness which is not work-related and who are unable to carry out regular firefighting duties, subject to the limitations above, (A-D), and at the Township's sole discretion.

The Panel acknowledges that the modifications made to the Union's LBO on this issue resulted from extensive discussions between the parties. Because it reflects a more comprehensive approach to the light-duty issue, the Panel hereby adopts the Union's last offer of settlement.

Based primarily upon the discussions and stipulations of the parties, the majority of the Panel finds that the Union's last offer of settlement on light duty most closely comports with the Section 9 factors, particularly Sections 9(1)(c); 9(1)(d); 9(1)(e); 9(1)(h); and 9(1)(i).


 Allen Kovinski, Panel Chair


 Michael O'Hearon, Union Delegate
 Concurs Dissents


 Kevin Foley, Employer Delegate
 Concurs Dissents

6. SUMMARY OF AWARD

ISSUE	AWARD
Wages 1/1/2023	Employer LBO
Wages 1/1/2024	Employer LBO
Wages 1/1/2025	Union LBO
Wages 1/1/2026	Employer LBO
Retroactivity	Employer LBO
Starting Wages for New Hires	Employer LBO
Officer Differentials	Union LBO
Pension Funding	Union LBO
Short-term Disability Opt-out	Union LBO
Sick Leave Accruals	Employer LBO
Vacation Accruals	Union LBO
Light Duty	Union LBO

IAFF ARBITRATION - Final Wage Scale

3%, 2%, 3.0%, 2.5%: Proposed Salary Increases: Adjust Starting FF Pay @ 01/01/2024

	Current Wages	3.0% 2023	2.0% 2024	3.0% 2025	2.5% 2026
Firefighter					
Start	16.60	17.10	18.53	19.09	19.56
1 year	18.80	19.36	19.75	20.34	20.85
2 year	19.69	20.28	20.69	21.31	21.84
3 year	23.20	23.90	24.37	25.11	25.73
4 year	26.30	27.09	27.63	28.46	29.17
5 year	27.60	28.43	29.00	29.87	30.61
Sergeant					
	28.58	29.57	30.45	31.66	32.45
Lieutenant					
	29.71	30.75	31.97	33.56	34.40
Captain					
	-	31.98	33.57	35.57	36.46
Inspector					
	41.82	43.57	45.73	48.46	49.68