

1/29/90

ARB

293

IN THE MATTER OF THE ARBITRATION BETWEEN:

CITY OF GROSSE POINTE

-and-

MERC CASE NO. D87 C-032

**LABOR COUNCIL, MICHIGAN FRATERNAL
ORDER OF POLICE, CITY OF GROSSE
POINTE PATROL OFFICERS UNION**

COMPULSORY ARBITRATION

Pursuant to Act 312, Michigan Public

Act of 1969, as amended.

AWARD

Arbitration Panel

**Peter D. Jason
Arbitrator/Chairman**

**Thomas Kresbach
City Delegate**

**Brian J. Smith
Union Delegate**

**LABOR AND INDUSTRIAL
RELATIONS COLLECTION
Michigan State University**

Grosse Pointe, City of

INTRODUCTION

These proceedings were commenced pursuant to Act 312 of the Public Acts of 1969 as amended. The arbitration panel was comprised of the Chairman, Peter Jason; City Delegate, Thomas Kresbach; and Fraternal Order of Police Delegate Brian J. Smith.

A prehearing conference was held on February 6, 1989, and a hearing was held on July 24, 1989, at the Grosse Pointe City Hall in Grosse Pointe, Michigan. The City was represented by William L. Hooth of the firm of Fitzgerald, Hodgman, Cox, Cawthorne and McMahon, P.C. The Fraternal Order of Police was represented by Kenneth W. Zatkoff of the firm of John A. Lyons, P.C. The record consists of 49 pages of recorded testimony and a total of 32 exhibits. After submission of last best offers on August 28, 1989, the parties forwarded written briefs on September 13, 1989, and October 5, 1989. The panel met in executive session on November 30, 1989.

The parties stipulated that the outstanding issues in this matter were all economic and so the panel was guided by Section 8 of Act 312. This section provides that each economic issue must be decided by the panel selecting the last best offer which more nearly complies with the applicable factors in Section 9. The applicable factors to be considered as set forth in Section 9 are as follows:

- (a) The lawful authority of the employer.

- (b) Stipulations of the parties.
- (c) The interests and welfare of the public and the financial ability of the unit of government to meet those costs.
- (d) Comparison of the wages, hours and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally:
 - (i) In public employment in comparable communities.
 - (ii) In private employment in comparable communities.
- (e) The average consumer prices for goods and services, commonly known as the cost of living.
- (f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- (g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- (h) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

The panel considered the factors delineated by the statute. At the outset, the parties agreed that the other Grosse Pointes were the comparable communities and the panel concentrated on making its comparisons within this narrow range. Because of this, the panel has decided to forego a lengthy opinion and make its award in a way that positions the wages and benefits of the city fairly within the spectrum of its other employees and those in the other Grosse Pointes.

AWARD

The parties have agreed on all outstanding issues for the period of July 1, 1987 through June 30, 1990, except those that were the subject of these proceedings.

The panel decided these issues in order:

ISSUE 1.

**TERM OF AGREEMENT - PSO/D
(Article XXIX, p. 38 - Contract)**

ISSUE 1.

TERM OF AGREEMENT - PSO/D
(Article XXIX, p. 38 - Contract)

Three-year agreement effective July 1, 1987 through June 30, 1990. (Per Stipulation, Act 312 Hearing July 24, 1989).

Agree CITY/SWK Dissent _____

Agree LC/BTS Dissent _____

ISSUE 2. - A

WAGES AND COST OF LIVING ALLOWANCE - PSO
(Article XXIV, p. 32; Appendix A, B, C, p. 39-41 - Contract)

Base Wages - PSO II - Maximum Rate

Year 1 (1987-88)	\$32,445	(3%)
Year 2 (1988-89)	\$33,580	(3.5%)
Year 3 (1989-90)	\$34,923	(4%)

ISSUE 2. - B

COLA

No Change

(Retain other progressive steps to maximum rate. These steps adjusted in accordance with above increases: 3%; 3.5%; 4%.)

2A - WAGES Agree CITY/SWK

Dissent LC/BTS

2B - COLA Agree LC/BTS

Dissent CITY/SWK

ISSUE 3.

LONGEVITY PAYMENTS - PSO
(Article XVII, p. 27-28, Contract)

Add new step at 25 years or more - \$900. Retain present schedule for other steps.

Agree CITY/SWK Dissent _____

Agree LC/BTS Dissent _____

ISSUE 4.

PENSION - RETIREMENT BENEFITS - PSO
(Appendix D, p. 42-43, Contract)

Retirement Eligibility - Retain current requirements - Age 55, 10 years or service. ✓

Retirement Benefit Formula: Retain current provisions -

- Multiplier - 2.5% for each year of service for first 25 years, 1% pr year thereafter to the maximum of 70% of final average compensation (FAC).
- FAC - best 5 of last 10 years of service.

Agree CITY/JMK

Dissent _____

Agree _____

Dissent L.C./BTS

ISSUE 5.

MEDICAL INSURANCE BENEFITS - ACTIVE EMPLOYEES - PSO (Article XXI, p. 29-31, Contract) ✓

Retain present Blue Cross/Blue Shield coverage, MVF-1 with master medical; \$2.00 prescription rider. Continued Blue Cross/Blue Shield coverage to include MSO (Mandatory Second Surgical Opinion), hospital preadmission review, and FSP (Foot Surgery Predetermination) riders.

Agree CITY/JMK

Dissent _____

Agree L.C./BTS

Dissent _____

ISSUE 6.

CONTINUED HEALTH INSURANCE FOR DEPENDENTS (NEW PROVISION) - PSO

Section 1. For an officer who dies in the line of duty, the City will continue to provide the same medical insurance coverage as received by active employees for the officer's spouse until the spouse has remarried or the spouse obtains employment which provides for medical insurance coverage. The City will also continue to provide the same medical insurance coverage as received by active employees for dependent children of the officer until the dependent child reaches age nineteen (19), or obtains coverage from another source, whichever occurs first. ✓

Section 2. For an officer who is disabled in the line of duty as defined pursuant to Article XII of the Contract, the City will continue to provide to the officer and to the officer's dependents (spouse and children) the same medical insurance coverage on the same basis as received by active employees. Such coverage shall cease when the officer reaches voluntary

retirement age or age fifty-five (55), whichever occurs first, at which time the officer shall be eligible for medical insurance coverage provided to retired employees.

Agree CITY/SMK Dissent _____

Agree L.C./BDS Dissent _____

ISSUE 7.

MEDICAL INSURANCE FOR RETIRED EMPLOYEES - PSO
(Article XXII, p. 31-32, Contract) ✓

Retain present insurance coverage: Blue Cross/Blue Shield, MVF-1 with master medical for retiree and spouse. Continued coverage to include MSO, hospital preadmission review and FSP riders.

City payment toward insurance based upon formula $3.4 \times$ years of service (e.g. 30 yrs. = 100%; 25 yrs. = 85%). New payment formula applicable to employees who retire after July 1, 1987.

Agree CITY/SMK Dissent L.C./BDS

Agree _____ Dissent _____

ISSUE 8.

HOLIDAYS - PSO
(Article XVI, p. 26, Contract) ✓

Add new holiday: Easter

Agree CITY/SMK Dissent L.C./BDS

Agree _____ Dissent _____

ISSUE 9.

UNIFORMS - PSO
(Article XVIII, p. 28, Contract)

Increase annual cleaning allowance to \$150 and annual uniform allowance to \$275, maximum accumulation of \$500. ✓

Agree CITY/SMK Dissent _____

Agree L.C./BDS Dissent _____

**ISSUE 10.
RETROACTIVITY - PSO**

Wages and COLA retroactive to July 1, 1987 for PSO employed as of December 1, 1989.

Agree CITY/SMK Dissent _____
Agree L.C./BOS Dissent _____

**ISSUE 11.
WAGES - DISPATCHER
(Appendix F, p. 48, Contract)**

Base Wage - Maximum Rate - Full Time
Year 1 (1987-88) - \$17,390 (75¢/hr.)
Year 2 (1988-89) - \$18,260 (5%)
Year 3 (1989-90) - \$19,175 (5%)

Retain other steps to maximum rate. These steps adjusted in accordance with above increases: 75¢/hr.; 5%; 5%.

Agree CITY/SMK Dissent L.C./BOS
Agree _____ Dissent _____

**ISSUE 12.
HOLIDAYS - DISPATCHER
(Appendix F, p. 47, Contract)**

Add new holiday: Easter (9).

Agree CITY/SMK Dissent L.C./BOS
Agree _____ Dissent _____

**ISSUE 13.
LONGEVITY - DISPATCHER
(Appendix F, p. 46, Contract)**

Add new step at 25 years or more - \$900. Retain present schedule for other steps.

Agree CITY/SMK Dissent L.C./BOS
Agree _____ Dissent _____

ISSUE 14.
UNIFORM CLEANING ALLOWANCE - DISPATCHER
(Appendix F, p. 49, Contract)

Increase cleaning allowance to One Hundred (\$100) Dollars annually beginning Year 2 of the Contract (July 1, 1988).

Agree CITY/SMK

Dissent L.C./BTS

Agree _____

Dissent _____

ISSUE 15.
RETROACTIVITY - DISPATCHER
(Appendix F, p. 48, Contract)

Wages retroactive for dispatchers employed as of December 1, 1989.

Agree CITY/SMK

Dissent _____

Agree L.C./BTS

Dissent _____

Peter D. Jason

Peter D. Jason
Arbitrator/Chairman

Thomas Kresbach

Thomas Kresbach
City of Grosse Pointe Delegate

Brian J. Smith

Brian J. Smith
FOP Patrol Officers Union Delegate

DATE: 1/29/90