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In the Matter of the Arbitration Between:

VILLAGE OF GROSSE POINTE SHORES

Case No. Q88-H-0701

-and-

COMMAND OFFICERS, MICHIGAN  
LABOR COUNCIL, FRATERNAL

LABOR AND INDUSTRIAL  
RELATIONS COLLECTION  
Michigan State University

STIPULATED AWARD

21 MR. HOUGHTON: Mr. Arbitrator, we  
22 would like to report to you that we have reached  
23 agreement on all issues involved with this 312 Act, as  
24 well as all other collateral issues necessary to place a  
1 new contract into effect.

2 We would to place the total agreement  
3 on the record at this time, and then that record that is  
4 made will be concurred in by both parties and would then  
5 take the form of a stipulated award for issuance based on  
6 this understanding and agreement.

7 First of all, regarding the scope of  
8 the settlement it is a total settlement of all issues.  
9 And I'll go down each issue, item by item.

10 First of all two collateral matters.  
11 There are two pending grievances, 89-174 and 89-175, that  
12 are currently in arbitration.

13 One of those grievances, 89-174,  
14 involves certain issues of retroactivity.

15 And 89-175 involves certain issues  
16 concerning the so-called EMT supervisory pay.

*Grosse Pointe Shores, Village of*

*Brown, Barry C.*

17                   The agreement that the parties have  
18 reached encompasses a resolution of those grievances.  
19 The understanding of the parties is that those two  
20 grievance arbitrations will be, forthwith, withdrawn with  
21 prejudice from the arbitration process, based upon this  
22 settlement.

23                   Secondly regarding all issues which  
24 were previously agreed to and tentatively initialed by  
1 the parties, the parties confirm and reconfirm all of  
2 those earlier understandings and tentatively initialed  
3 drafts, which will become part of the new three year  
4 collective bargaining agreement, which will run from July  
5 1st 1988, through June 30th 1991.

6                   In particular, regarding earlier  
7 agreed to drafts I would make reference to the  
8 tentatively agreed to grievance procedure language change  
9 dated 4-11-89.

10                   Revised lunch time language, dated 4-  
11 11-89.

12                   Revised special conference language,  
13 also dated 4-11-89.

14                   Holiday language, dated 4-11-89.

15                   The so-called package agreement,  
16 dated 4-21-89, which consists of 10 numbered items.

17                   Revised tuition reimbursement  
18 language, dated 4-11-89.

19                   And revisions in the discharge  
20 language of the contract, also dated 4-11-89.

21                   Now in terms of previously initialed  
22 and agreed to items I believe that constitutes the  
23 package. I would reserve the right, when we've finished  
24 this presentation, just to check my notes for a minute,

1 to see if there are any others, but all of those, I  
2 believe, are complete.

3 The language that's reflected in  
4 those tentatively initialed agreements will in fact  
5 become the language that's incorporated in the new  
6 collective bargaining agreement.

7 The new collective bargaining  
8 agreement will contain two classifications of supervisory  
9 command officers designated as follows:

10 Level "I", Supervisor-Sergeant "I"  
11 and Level "II", Supervisor-Sergeant "II".

12 Sergeant "I" will correspond to and  
13 be equivalent to what previously was called the Corporal  
14 classification.

15 And the Sergeant "II" classification  
16 will be equivalent to what was previously just called the  
17 Sergeant classification under the old agreement.

18 With respect to that change in  
19 nomenclature of the classifications, the Village will  
20 then determine appropriate distinction for badge wear on  
21 the uniform.

22 Next item, addressing wages. With  
23 respect to these new classification titles, and I might  
24 add here that I'm using these new classification titles

1 as they'll be in the new contract with respect to the  
2 wages that will be in the new contract.

3 The changes in classification titles  
4 are changes only and they do not reflect any change in  
5 benefits or job responsibilities or duties, but I will  
6 use the new title names from this point forward.

7 First year of the contract, which  
8 will be 1988 to 1989, and that's July 1st '88 to June  
9 30th '89; the Sergeant "I"s will be paid \$37,100; the  
10 Sergeant "II"s will be paid \$39,850.

11 Second year of the contract, '89 to  
12 '90; the Sergeant "I"s will be paid \$38,800; Sergeant  
13 "II"s will be \$41,700.

14 Third year of the contract, '90 to  
15 '91; the Sergeant "I"s will be paid \$40,200; the Sergeant  
16 "II"s will be paid \$43,200.

17 With respect to the wage increases we  
18 come to the next issue, which is retroactivity. And the  
19 wage increases will be retroactive back to the beginning  
20 of the first year of the new contract, and that is July  
21 1st 1988. And those retroactive wage adjustments will  
22 apply to all hours worked, which would include both  
23 straight time and overtime hours.

24 In addition, retroactivity will also

1 include the anniversary holiday, which it was agreed to  
2 begin with the second year of the contract. That's a new  
3 holiday. And there will be a retroactive incremental  
4 payment for any holidays that have already occurred,  
5 based on these new wage rates.

6 There will also be an incremental  
7 adjustment of longevity pay. Longevity pay has been paid  
8 to the officers under the old schedule. That schedule is  
9 revised and there will be an incremental amount due, in  
10 some cases, based on the new schedule. So that will also  
11 be retroactive.

12 Other than the items mentioned, any  
13 other economic benefits that were negotiated will not be  
14 retroactive.

15 The next item, EMT payments.

16 Under the new contract there will be  
17 no reference to EMT duties or any type of EMT pay, as  
18 that will not longer be involved in the collective  
19 bargaining agreement.

20 Regarding any retroactivity on EMT,  
21 the officers, command officers, have already received two  
22 payments for two quarters for 1988, and they will receive  
23 pay for an additional two quarters under the '88-89  
24 contract, which will amount, for Sergeant "I"s, \$559.50,

1 total; For Sergeant "II"s, \$595.

2 MR. SUCHER: Could we go off the  
3 record?

4 MR. BROWN: Off the record.

5 (Discussion off the record)

6 MR. HOUGHTON: Those are approximate  
7 figures and will have to be adjusted slightly upwards a  
8 few dollars, based on the latest wage proposal. So I'll  
9 have to recalculate that, but that's the approximate  
10 figures.

11 MR. SUCHER: All right.

12 MR. HOUGHTON: It would cover those  
13 two quarters.

14 That is the only retroactive ENT  
15 payment that will be made, and that will end the ENT  
16 issue, and the employer will have satisfied all duties  
17 and obligations under the ENT issue by paying those  
18 amounts to the Sergeant "I" and Sergeant "II"s.

19 Next item: The union had a demand in  
20 312 to change the contract so as to provide for a 3.5  
21 post retirement COLA increase. That demand has been  
22 dissolved and dropped. And what will remain in the new  
23 contract will be the same language as the old contract  
24 has, which provides for an automatic 2.5 percent increase

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1 for a maximum of 10 years.

2 Next issue in 312 involved duty  
3 related death benefits.

4 The duty related death benefits  
5 involve two basic sub-issue, one involving health  
6 insurance. This would be continuing health insurance to  
7 the spouse of an employee who dies as a direct result of  
8 a duty related illness or injury. In that situation the  
9 village would continue, for that spouse, the same health  
10 coverage as is provided to active employees, for the  
11 spouse and dependent children up to age 19. That would  
12 continue except if the spouse remarries or receives  
13 health insurance coverage from an employer or other  
14 source, then under those conditions the village would not  
15 longer provide the insurance coverage.

16 In addition, under the duty related  
17 death survivor benefits, in the pension area: If an  
18 employee is killed in the line of duty, or dies directly  
19 from a duty related illness, the spouse will receive a  
20 pension as if the deceased employee had been qualified,  
21 for a full seventy percent pension under the pension  
22 plan.

23 MR. SUCHER: That is for the spouse?

24 MR. HOUGHTON: Yes.

1 MR. HOUGHTON: Next items involve  
2 retirement issues.

3 Regarding eligibility for normal  
4 retirement, regular retirement, the current contract  
5 provides for 2.5 percent for the first 25 years and then  
6 one percent for each year after 25 years up to a maximum  
7 of 70 percent. That would remain the same, with the same  
8 language, except the years after 25 would be increased to  
9 1.5 percent, up to a maximum of 70 percent. This, in  
10 effect, would allow an employee to retire with a full 70  
11 percent maximum after 30 years, rather than is currently  
12 provided at 32 and a half years.

13 So the only change, then, would be to  
14 change the 1.5 percent for the years after 25, keeping  
15 the maximum of 70 percent in place.

16 The employer, the village, would also  
17 withdraw its request that the employees contribute an  
18 additional one-half percent. The village was requesting  
19 a six and a half percent employee contribution. The  
20 employee contribution level will remain as it is in the  
21 current contract, at six percent.

22 Next item, duty disability. If a  
23 command officer becomes disabled as a result of a duty  
24 related incident the officer will be entitled to a duty

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1 disability pension, provided he or she qualifies under  
2 the terms and conditions of the pension agreement, as if  
3 that person had 25 years of service; which means, under  
4 the program the person would have a duty disability  
5 pension of sixty-two and a half percent. That's based on  
6 two and a half percent per year for 25 years. The person  
7 would receive that pension.

8 And then when the individual reached  
9 minimum retirement age, which is 50, at that point the  
10 pension would be re-computed up to a maximum of 70  
11 percent, utilizing the years the employee was on  
12 disability. That is, if the employee had a sufficient  
13 number of years on disability before reaching age 50, the  
14 employee would receive additional credit at the rate of  
15 one and one-half percent a year up to a maximum of 70.

16 So the person could go from the  
17 sixty-two and a half percent for 25 years of service up  
18 to a maximum of 70 percent. And that 70 percent would  
19 then be payable from and after age 50, assuming the  
20 person had the number of years necessary to reach that  
21 level.

22 The duty disability pension language  
23 will incorporate those principles and will utilize the  
24 language set forth in Grosse Pointe City duty disability

1 requirement, all as set forth in the union exhibit in  
2 this case under subheading "G"; and this isn't too long,  
3 so I'll read that into the record so we have it:

4 An employee who is otherwise eligible  
5 for disability retirement pursuant to the employer's  
6 retirement system shall receive a benefit in the amount  
7 of sixty-two and a half percent of the employee's base  
8 rate of pay which the employee was receiving at the time  
9 of disability.

10 The disability retirement benefit  
11 provided for above shall be reduced by the following:

12 "A", an amount equal to any workers  
13 compensation benefit received; "B", Social Security  
14 disability benefits; "C", any other type of disability  
15 benefit received; "D", any earnings from employment, to  
16 the extent that said earnings, when added to payments  
17 received, exceed one hundred percent of base pay as  
18 defined.

19 For purposes of this section, workers  
20 compensation benefits shall include weekly benefits,  
21 redemptions of weekly benefits and settlements in lieu of  
22 weekly benefits; but shall not include amounts paid for  
23 reimbursement of medical expenses.

24 Any lump sum payments received for

1 redemption of weekly benefits, or settlement in lieu of  
2 weekly benefits, shall be allocated on a weekly basis, an  
3 amount of the weekly benefit the employee would be  
4 entitled to receive.

5 MR. SUCHER: Off the record?

6 (Discussion off the record)

7 MR. HOUGHTON: The language I just  
8 referred to regarding the City of Grosse Pointe duty  
9 disability retirement will be included in the new  
10 agreement, and in addition there will be language which  
11 will reflect the understanding regarding the re-  
12 computation at age 50 that I have previously set forth on  
13 the record.

14 The record should reflect that in  
15 entering into this understanding both parties, that is  
16 the union, the bargaining unit and the village, all will  
17 concur on the record with this total global settlement of  
18 all issues; and each party represents that it has full  
19 and complete authority to enter into such an agreement,  
20 which will result in a stipulated award in this case  
21 without any further concurrence or discussion or  
22 ratification from any of the principals involved, either  
23 the bargaining unit or the village council.

24 Off the record for a moment.

(Discussion off the record)

MR. BROWN: Back on the record.

MR. HOUGHTON: Two final comments on the agreement. I did review, from the village standpoint, all of our tentatively initialed drafts and I concur that the set that we previously put on the record is the complete set.

Secondly, in terms of the so-called retroactive EMT payout, the exact amounts have been calculated and these figures should be utilized:

For the Corporals, who are now Sergeant "I"s, or will be, under the new contract, their wage rate would be \$37,100 for the time period involved. Three percent of that is \$1113. They have been paid, to date, \$535.62. So, for the two quarters of retroactivity that we have agreed to, the Corporals or Sergeant "I"s would each receive \$577.38.

Looking at the Sergeant "II"s, or Sergeants under the old agreement, their annual salary for the time period in question would be \$39,850, and three percent of that is \$1195.50. They have been paid each \$575.30. So the remaining balance due to each Sergeant or Sergeant II is \$620.20.

I believe that's all I have.

1 MR. BROWN: Thank you.

2 Do you wish to make a comment all of  
3 this, sir?

4 MR. SUCHER: Just, I would first  
5 state that I agree with Mr. Houghton as to all of the  
6 issues. I think he's accurately set forth the parties'  
7 understanding, and what we expect the new contract to  
8 read.

9 I'd just would like to make one  
10 comment on the rank structure with respect to Level "I"  
11 and Level "II". Frankly I'm at a loss as to what those  
12 actually mean and if they have any implications to the  
13 union in future contract negotiations.

14 I just would like to state that in  
15 agreeing to the rank structure I don't think that there  
16 should be any implication drawn as to the job and  
17 responsibilities with the other named comparables.

18 We will agree that we are changing  
19 the name -- the Corporal and Sergeant rank -- but I do  
20 not want any implications drawn as to any agreement as to  
21 job responsibilities or duties in the other comparables  
22 that we've selected.

23 And that would be the only comment I  
24 have.

1 MR. HOUGHTON: In response to that  
2 comment, so the record is clear, what we have done in  
3 these negotiations, in setting up new nomenclature of  
4 Sergeant I and Sergeant II is merely a change in  
5 nomenclature only. That's all it is, is a mere change in  
6 the job title. It does not reflect a change in duties,  
7 responsibilities, benefits, authority, anything other  
8 than change in the title.

9 The Level I basic supervisor, was a  
10 Corporal. It's now a Sergeant I.

11 And the Level II, supervisor, within  
12 the Village of Grosse Pointe Shores, was a Sergeant, it's  
13 now a Sergeant II.

14 I think that's all the further we've  
15 gone with at this point. What we did here was done to  
16 change the job title within the village.

17 MR. SUCHER: I agree with that.

18 MR. BROWN: I will ask the court  
19 reporter to provide me, the chairman of the panel, with a  
20 transcript of these proceedings, and then I will prepare  
21 a document which I will sign and pass on to the  
22 representative of the Michigan Council FOP and to the  
23 representative of the village. And when we've all three  
24 signed it, then that will represent the stipulated award.

1                   It doesn't make any less binding the  
2 agreement that has been put down here today, but it just  
3 formalizes the matter.

4                   MR. HOUGHTON: And I would suggest,  
5 when that document is drawn, we encompass as much of the  
6 language as we've got right here on the record. In fact  
7 we can have the parties sign the record, if you want, so  
8 we have a full and comprehensive view of the language and  
9 everything else that's supposed to go in this agreement.

The Panel appointed under Public Act 312 to issue an award in the unresolved issues in bargaining for a new contract for the parties identified above now adopts the agreement reached by the parties on February 27, 1990. The terms of the parties agreement is reflected in the transcript of the Act 312 panel hearing which is shown above.

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Michael Kenyon  
Village Panel Member

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Brian Smith  
Union Panel Member

  
BARRY C. BROWN, CHAIRMAN