

330.  
State of Michigan

Arbitration Pursuant to Act 312, Public Act of 1969, As Amended

In The Matter of

City of Harper Woods,

Employer

and

Lieutenants and Sergeants Association,

Fraternal Order of Police

Union

MERC Act 312 Case No. D83-I-2388

Background

The Collective Bargaining Agreement between the parties expired on December 31, 1982. Negotiations commenced and four meetings were held with a Mediator appointed by MERC. Several issues still remained unresolved and the Union petitioned for Compulsory Arbitration on March 1, 1984. Mr. Bernard Klein was chosen as Chairman of the panel and Mr. Charles Withers was chosen by the Union as a panel member while Ms. Virginia Micheletti was chosen by the City as its panel member. Hearings were held on June 7, 1984, June 18, 1984 and June 25, 1984 at the Harper Woods City Hall. Handling the case for the City was Mr. Russell J. LaLarge, Jr. and Mr. Jerome Sabbota handled the case for the Union. Since the salary question was based on a differential with the patrolmen, it was not an issue before the panel. The differences between the parties had been narrowed down in prior negotiations to six unresolved issues.

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They were the following:

1. Office pickup - City demand
2. Swap time - City demand
3. Food Allowance - Union demand
4. Shift premium - City demand
5. Pensions - Union demand
6. Residency - Union demand

The parties agreed on comparable cities for this arbitration. They were: East Detroit, Ferndale, Hazel Park, Madison Heights, Mount Clemens, Roseville and St. Clair Shores.

#### Officer Pickup

The City of Harper Woods has had a long past practice of having officers going off their shifts pick up officers beginning theirs. Those officers starting their shifts then drop off the off-duty officers at their residences and then proceed to the station.

The value to the City of this practice is disputed by the parties. The Union believes that the advantage is the ability of the off-going officers to brief the oncoming officers and that for a portion of the time the City has two men cars on patrol during shift changes. The City feels that the practice results in time loss of service to the City and presented evidence that the comparable cities do not routinely provide such service except in cases of emergencies. The Union further states that this service is provided for patrol officers and since residency is a requirement it is only provided for residents, and the City of Harper Woods is only two square miles and thus the practice is not an undue burden on police services. The Union also considers this an econom-

ic benefit since it enables some families to exist with one car instead of two.

The panel was impressed with the long tradition of this past practice and that its discontinuance would be a significant enough economic loss to the members of the bargaining unit, albeit that the Union did not win this benefit at the bargaining table. Furthermore to discontinue it by this arbitration would place the members of the bargaining unit at a disadvantage over the patrol officers. Later in this Award the question of residency is opened up and continuation of the practice of officer pickup would be an inducement for members of the unit to continue to live in the City even though they would have other options. For these reasons the panel agrees to the continuation of this practice for those officers who are residents of the City of Harper Woods.

#### Swap Time

This is a practice whereby command officers have exchanged work shifts with other command officers and even with patrolmen if approved by the Chief. The City claimed that this practice has been abused despite the requirement of prior approval by the Chief. Especially undesirable from the City's point of view is the swapping between different ranks. It is the City's contention that the abuses of this practice have resulted in unbalanced shifts as far as rank balance is concerned. Financial inequities from this practice have not been borne by the City according to the Contract language (Article 41). The Union merely contends that the Chief has not sought to use his power under Article 41 to control abuses. This has not been presented as an economic issue and the parties are not that far apart in their last offers. The panel therefore agrees to continue the practice among members of the Association and only between command officers and patrolmen on rare occasions with the prior approval of the Chief of Police or his designate who shall monitor this practice stringently.

despite past practices, though not in an arbitrary or capricious manner. The City will continue to be exempt from any financial responsibilities for inequities resulting from swapping.

This would also be in keeping with the practice in most of the comparable communities.

#### Food Allowance

The Union requests that the City reimburse any Association member \$5.00 per meal anytime he or she is required to be outside the City on City business during the meal hour. The City contends that this is done for the most part with the approval of the Chief. The Union feels it should be a matter of contractual right even though they didn't point to any instances of arbitrariness or capriciousness in the Chief's practice.

The panel was in agreement with the Union's demand since it felt that the amount was reasonable, the costs to the City would be negligible and it should not be necessary for an Officer to plead for reasonable reimbursement under those circumstances.

#### Shift Premium

Article 26 of the Contract provides for a shift premium of 5% added to the employee's base wage when that employee works the afternoon shift and 10% added when the employee works the midnight shift. The City would like to change this to an hourly rate rather than a percentage. They offer 40 cents per hour added to the base rate for the afternoon shift and 75 cents per hour for the midnight shift. The City's main contention is that the current practice is tremendously out of line with the comparable cities and also that computing the premiums on a percentage basis makes this a continuing escalating cost while their proposal

would limit the costs. They further contend that the purpose of shift premium pay, namely as an inducement to work less desirable shifts, is not realistic in Harper Woods since shifts are rotated regularly as a matter of course and all police officers work an equal number of different shifts. The exception are the lieutenants who do not work midnight shifts and thus do not receive the shift premiums.

The Union requests that the status quo be maintained and believes that the comparables do not justify the City's position.

The panel agreed with the City's position on this issue for several reasons. Mostly, Harper Woods was way out of line with the comparable cities under the current practice. The panel would probably have preferred a slightly higher annual rate (or lower percentage rate than the current practice), but it became clear that the City could justifiably request some relief on this cost and their offer still kept about fifty percent of the benefit intact for the officers. Changes in the formula might be a fit subject for future negotiations but this year in the give and take of both negotiations and the arbitration, this decision of the panel is not out of line.

### Pension

The pension issue has several parts to it. The changes were desired by the Union and they are as follows:

1. Change minimum age for full retirement from the current 55 to 50 after twenty-five years of service.
2. Change the multiplier from 2% for each year up to 25 to 2.5% for each year up to 25.
3. Employer should pick up all costs of the improvements.
4. A "pop-up" clause which gives the officer an option if the spouse dies first.
5. Accumulated sick time should be part of the "gross wages" in computing final average gross wages.

The Union points to the better pension system in the comparable communities while the City points out that the panel should consider total compensation costs of the Harper Woods Police Department when discussing pension costs. The City therefore prefers the status quo on pension demands except for their willingness to include a "pop-up" clause in this Award.

The panel was split in different ways on different parts of the pension demands and therefore has split that portion into its component parts.

1. Change of age from 55 to 50 after twenty-five years of service.

The panel favored this change based on comparable cities and a general belief that police work has become a more pressure-laden job and age 50 is a reasonable retirement age after twenty-five years of service. The added cost to the City for this change for this bargaining unit is quite negligible and gradual and therefore considered reasonable by the panel.

2. Increase the multiplier to 2.5%.

This too was agreed to by the panel in the light of comparable cities even though it might be a fraction of a percent higher than some presented at the time of the Hearing. The need for an adequate pension is understandable especially since the Harper Woods pensions generally do not keep pace with inflation.

3. Employer shall pick up all costs.

The panel did not agree with this demand. The argument that since Harper Woods officers are also required to pay social security and therefore pay more of their pension costs than comparable communities did not carry much weight. Social security is an additional benefit that Harper Woods officers enjoy and should not be used as an argument to increase the City's pension costs. The City

after all is also paying its share for the social security benefit and should not be saddled with all of the pension costs that have hitherto been partly shared by the employees. Therefore the panel felt it was reasonable to expect the employees to continue to pay 5% of the pension costs including the increased costs of the improvements.

4. Pop-up clause be included for a surviving spouse.

Both parties agreed to this addition in their last offers and the panel agrees with its justification.

5. Sick time be included in computing Final Average Compensation.

The panel did not agree with this request for several reasons. It was the feeling of the majority of the panel that a one shot benefit such as payment for accumulated unused sick leave should not be a permanent added cost to the pension system even though the panel notes that several comparable cities do allow it. Sick leave is a form of insurance and it is the feeling of the panel that good health is its own reward, payment for not having had to use sick leave is an added benefit but should not be compounded by adding it to the pension computations.

### Residency

The issue of residency is not an economic one and does engender much emotion on both the part of the Union as well as the City. The Union cites only Mount Clemens among the comparables as having such a stringent residency requirement for its employees. The Union which originally sought complete freedom of residency now requests that after ten years of continuous service, a member of this Association shall be allowed to reside within a ten mile radius of the City Hall. The Union cites later potential economic hardship

if an officer wishes to change residence after retirement, and pointed to other economic or potential economic loss to the officers if they have to sell their homes at a loss. The also alluded to pressures upon them during non-working hours if they must reside in the community.

The City fairly effectively refuted the economic arguments and based its demand for the status quo on the will of the electorate that on several occasions voted overwhelmingly to continue the residency requirement. The City's only offer is to place the question on the ballot anytime the Union so desires.

The panel did not agree with the City's position since, if asked, the voters would also place other demands on its employees and collective bargaining is not a process of pure voter choice. The need to live close to work for officers involved in public safety is recognized and a ten mile radius would not be detrimental to that need. It would also offer the members of the bargaining unit greater freedom of choice in residence and since Harper Woods is a desirable community it is not expected that there would be any mass exodus of employees or that homes would not be purchased and the tax base maintained.

The panel recognized the desirability of new officers residing in the City during their early tenure with the City but felt that if non-residency is justified after ten years of service, it is just as meritorious after five years and so would allow members of this Association to reside within a ten mile radius of City Hall after at least five years of continuous service.

Furthermore, the continuation of officer pick-up for residents would also discourage many officers from moving out of the City.




AwardOfficer Pick-up

The practice of officers completing their shifts picking up those officers replacing them and then drop off the off-going officer at home shall continue for those officers who continue to reside within the city limits of Harper Woods.

Respectfully submitted,

  
Bernard Klein, Chairman

  
Virginia Micheletti, Panel Member

  
Charles Withers, Panel Member

Dated: November 14, 1984

Detroit, Michigan

Swap Time


## Effective Immediately

The practice of "swapping time" shall be allowed to continue among members of this Association with the prior approval of the Chief of Police or his designee. On very rare occasions when swapping takes place among members of different ranks, this shall also require prior approval of the Chief of Police or his designee who shall monitor this practice very carefully, though not in an arbitrary or capricious manner. The City will not be held financially responsible or otherwise responsible in the event any inequities arise between individual employees as a result of the swap time procedure.

Respectfully submitted,

  
Bernard Klein, Chairman

  
Virginia Micheletti, Panel Member

  
Charles Withers, Panel Member

Dated: November 14, 1984

Detroit, Michigan

Food Allowance

Effective December 1, 1984

The City shall reimburse an Association member \$5.00 per meal should an Association member be required to be outside the City, on City business during a meal hour.

Respectfully submitted,

Bernard Klein  
Bernard Klein, Chairman

Virginia Micheletti (dissent)  
Virginia Micheletti, Panel Member

Chas. M. Withers  
Charles Withers, Panel Member

Dated: November 14, 1984

Detroit, Michigan

Shift Premium

Effective December 1, 1984

Article 26 Sections A & B of the Agreement shall be changed to read as follows:

Article 26 Shift Premium

- A. An employee whose schedule calls for him to work the second shift will receive a premium rate of \$.40 per hour worked in addition to his base rate.
- B. An employee whose schedule class for him to work the third shift will receive a premium rate of \$.75 per hour worked in addition to his base rate.

Sections C & D of this Article remain unchanged from the present Agreement.

Respectfully submitted,

Bernard Klein  
Bernard Klein, Chairman

Virginia Micheletti  
Virginia Micheletti, Panel Member

Charles Withers  
Charles Withers, Panel Member

Dated: November 14, 1984

Detroit, Michigan

Pension

Eligibility

Effective December 1, 1984

Article 46 Section A shall be changed to read as follows:

Article 46 Pensions

- A. All employees will be eligible for retirement at age fifty (50) and will be subject to Employer Blue Cross-Blue Shield coverage as provided for to this Agreement.

Respectfully submitted,

  
Bernard Klein, Chairman

  
Virginia Micheletti, Panel Member

  
Charles Withers, Panel Member

Dated: November 14, 1984

Detroit, Michigan .

Pension

## Multiplier

Effective December 1, 1984

Article 46, Part B, Section 2816 shall be changed to read as follows:

1. Upon a member's retirement, his pension payable shall be equal to the number of years, and fraction of a year, of his credited service multiplied by 2.5% of his final average gross wages... .

Remainder of that section remains as in the current Agreement.

Respectfully submitted,

Bernard Klein  
Bernard Klein, Chairman

Virginia Micheletti  
Virginia Micheletti, Panel Member

Charles Withers  
Charles Withers, Panel Member

Dated: November 14, 1984

Detroit, Michigan

Pension

## Costs

The present ratio of the payment of pension costs between the City and the Officer shall continue.

Respectfully submitted,

Bernard Klein  
Bernard Klein, Chairman

Virginia Micheletti  
Virginia Micheletti, Panel Member

Charles Withers  
Charles Withers, Panel Member

Dated: November 14, 1984

Detroit, Michigan

Pension

Pop-Up Clause

Effective December 1, 1984

A pop-up provision shall be included in the pension article for the surviving spouse.

Respectfully submitted,

  
Bernard Klein, Chairman

  
Virginia Micheletti, Panel Member

  
Charles Withers, Panel Member

Dated: November 14, 1984

Detroit, Michigan



Pension

## Gross Wages

Article 46 Part B Section 2816 defining "gross wages" shall remain as in the present Agreement and shall not be changed to include accumulated unused sick pay.

Respectfully submitted,

  
Bernard Klein, Chairman

  
Virginia Micheletti, Panel Member

  
Charles Withers, Panel Member

Dated: November 14, 1984

Detroit, Michigan

Residency

Effective December 1, 1984

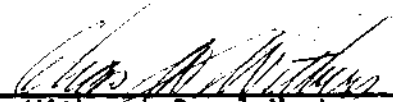
A new section on residency shall be added to the Agreement which states:

After five (5) years of continuous service, a member of this Association shall be allowed to reside within a ten (10) mile radius of the City Hall.

Respectfully submitted,

  
Bernard Klein, Chairman

  
Virginia Micheletti, Panel Member

  
Charles Withers, Panel Member

Dated: November 14, 1984

Detroit, Michigan

Miscellaneous


The contract period for this Award is two years commencing on January 1, 1983 and expiring on December 31, 1984.

Those items continuing in the current Agreement shall continue through the full two years of this Award. Those items which change existing conditions shall take effect on the date stated in this Award for that item. The change in shift premium pay was intended by the City to be prospective and thus take effect December 1, 1984 and not sooner as their last offer.

All other items in the current Agreement shall remain in force except those which the parties have changed by mutual agreement.

Respectfully submitted,

  
Bernard Klein, Chairman

  
Virginia Micheletti, Panel Member

  
Charles Withers, Panel Member

Dated: November 14, 1984

Detroit, Michigan