

6-16-89

STATE OF MICHIGAN
EMPLOYMENT RELATIONS COMMISSION

INTEREST ARBITRATION DECISION AND AWARD
MERC Act 312 Case No. D86 E-1179

CITY OF INKSTER,

Employer

- and -

INKSTER FIRE FIGHTERS
LOCAL 1577

Labor Organization

Arising pursuant to
Public Act 312,
Public Acts of 1969
as amended.

ARBITRATION PANEL

Kenneth Grinstead, Chairperson
Grady Holmes, Employer Designee
James Leskun, Labor Organization Designee

APPEARANCES

MILTON SPOKOJNY
Oakland Hills Office Building
6735 Telegraph Road, Suite 320
Birmingham, Michigan 48010
Appearing on behalf of the Employer

ALISON L. PATON
Sachs, Nunn, Kates, Kadushin
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1000 Farmer Street
Detroit, Michigan 48226
Appearing on behalf of the Labor Organization

LABOR AND INDUSTRIAL
RELATIONS COLLECTION
Michigan State University

Inkster, City of

Kenneth Grinstead
2507 Meade Ct.
Ann Arbor, MI 48105

June 16, 1989

Ms. Anne T. Patton
Member Employment Relations Commission
State of Michigan Plaza Building
14th Floor -- 1200 Sixth Avenue
Detroit, MI 48226

RE: CITY OF INKSTER

-and-

ACT 312 Case No. D86 E-1179

INKSTER FIRE FIGHTERS UNION, #1577

Dear Ms. Patton:

Attached herewith is the final decision and award in the above referenced matter.

The final meeting of the Panel was held on June 16, 1989.

Seven other copies of this decision and award have been provided to the Commission. Each of the parties have been provided with a copy. All of the transcripts, briefs, and other written materials relative to this matter have been sent to the Commission offices in Detroit.

Thank You

Kenneth Grinstead

Kenneth Grinstead

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Last Best Offers -- Under Separate Cover

STATE OF MICHIGAN
MICHIGAN EMPLOYMENT RELATIONS COMMISSION

IN THE MATTER OF ARBITRATION PURSUANT TO
ACT 312, PUBLIC ACTS OF 1969, AS AMENDED

CITY OF INKSTER

- and -

MERC Case No. D 86 E-1179

INKSTER FIRE FIGHTERS UNION, # 1577

BACKGROUND

Procedural Matters

This is a compulsory arbitration matter pursuant to Act 312 of the Public Acts of the State of Michigan, 1969 as amended, MCLA 423.231 et. seq.; MSA 17.455 (31) et. seq., (hereinafter Act 312) better known as the Michigan Policemen and Firemen Compulsory Arbitration Act.

This dispute involves contract negotiations between the City of Inkster (hereinafter City) and the International Association of Firefighters, Local 1577 (hereinafter, Union). The City and the Union have a collective bargaining relationship and their most recent collective bargaining contract expired on June 30, 1986. The bargaining unit is defined in Article I, Section (b) of the expired Collective Bargaining Agreement as including:

all full-time firefighting personnel, fire fighters, engineers and lieutenants, and shall exclude probationary fire fighters, and any temporary provisional, seasonal, part-time, and all other employees in the unclassified service as defined in the City Ordinance and the City's Personnel Rules and Regulations.

The parties attempted to negotiate a new collective bargaining agreement prior to its expiration. Despite their best efforts, a large number of issues remained unsettled. Negotiations continued, but an impasse occurred. Subsequently, both the Union and the City invoked the provisions set forth in Section 3 of Act 312. By letter petition to the Employment Relations Commission and dated May, 1987, the City through its Attorney, Milton Spokojny, initiated arbitration proceedings. The petition indicated that three mediation meetings had been held.

The Union submitted a petition for arbitration dated May 20, 1987, and also attested to having held three meetings with a mediator. In their petitions each party listed a number of unresolved issues in dispute. These are shown below.

1. Issues in Dispute.

The following are the issues as identified by the parties as unresolved and the Articles of the expired agreement that would be changed by the proposals. (In most instances only a portion of each Article would be modified. The detail related to these changes are cited in the award).

A. Union's Issues

- | | |
|--------------------------------------|--|
| 1. Article XXXII: | Wages |
| 2. Article VIII: | Emergency callback |
| 3. Article LI: | Pension |
| 4. Article XXVI: | Health insurance for retirees |
| 5. Article XXIII: | Sick leave |
| 6. No provision in expired contract: | Education incentive allowance |
| 7. Article XXXIII: | Emergency medical technician allowance |
| 8. Articles VIII and IX: | Hours/overtime |
| 9. Article L: | Long term disability insurance |

B. Employer's Issues

- | | |
|----------------------|-----------------------------|
| 1. Article I: | Recognition |
| 2. Article II: | Bargaining Committee |
| 3. Article VII: | Grievance Procedure |
| 4. Article VIII: | Hours of Work |
| 5. Article IX: | Overtime |
| 6. Article X: | Probationary Employees |
| 7. Article XVI: | Holiday Provisions |
| 8. Article XVIII: | Emergency and Funeral Leave |
| 9. Article XXIII: | Sick Leave |
| 10. Article XXIV: | Vacation Leave |
| 11. Article XXV: | Personal Leave |
| 12. Article XXVIII: | Union Business |
| 13. Article XXXI: | Uniforms |
| 14. Article XXXIV: | Longevity Pay |
| 15. Article XXXVI: | Food Allowance |
| 16. Article XXXVIII: | Working Conditions |
| 17. Article XXXXII: | Residency |
| 18. Article XXXXVII: | Optical and Dental Plan |
| 19. Article LIV: | Extension |

2. Appointment of Panel Chairperson

By letter dated July 2, 1987, Kenneth Grinstead was appointed to be the Panel Chairperson by the Michigan Employment Relations Commission.

3. The Pre-Hearing Conference

A pre-hearing conference in this matter was held on August 24, 1987, in Inkster, Michigan, for the purposes of clarifying the outstanding issues, establishing procedures for the hearing, and scheduling hearing dates. Prior to the pre-hearing conference, the Chairman provided the parties with the following agenda:

The pre-hearing conference can facilitate the interest arbitration process. Problems and misunderstandings can be clarified as to format. Housekeeping problems can be resolved and the tone of the formal hearing can be set. The parties are put on notice as to what the Chairman expects. In addition, the parties can communicate their expectations to the Chairman. They can then proceed to prepare their cases accordingly.

I urge the parties to come to the pre-hearing conference prepared to discuss the items listed below. The parties may wish to discuss additional items. By making good preparations for the formal hearing, each party can present their respective positions in order to help the Panel fully understand the issues and the parties' positions on each issue.

Proposed Discussion Topics for the Pre-Hearing Conference

1. Identify the issues in impasse. (At the conclusion of the Pre-Hearing Conference, the Panel Chairman is required to send a list of the outstanding issues in impasse to the Commission. See attached).
 - a. Since the petitioner seeks to change the status quo, the petitioner is the first to identify the issues, followed by the respondent. (Since each party has submitted a petition in this matter, it may be necessary to modify this item).
 - b. What is the status of "tentative agreements" reached during negotiations? The status of these "TAs" is critical when defining the issues to be considered by the Panel. Will the parties want the Chairman to include some or all the "TAs" in the final order?
 - c. Engage in a brief discussion of the nature of each issue in dispute. This gives the Panel a "feel" for the issue and an indication as to where the parties stand on each issue.
 - d. Do the parties wish to have any of the issues remanded for further negotiations?
2. Comparables? It is advisable for the parties to reach an agreement on comparables, i.e., the governmental units that will be used for the basis of wage and fringe benefit comparisons. If an agreement cannot be reached, the Panel must decide those units to be used as comparables.

3. Dates for the Hearing? It will be helpful if we can make an estimate of the length of time in days that will be necessary for the Hearing as well as an estimate of the final day of the Hearing. (See attached).
4. Where will the Hearing be held?
5. How will the formal Hearing be held?
 - a. Who will present their case first? Whether one party will present its entire case after which the other party will present its case, or whether the parties desire to conduct the Hearing on an issue-by-issue basis.
 - b. Nature of exhibits to be introduced? If there is agreement on comparables, the labor contracts of the comparable public jurisdictions can be introduced as joint exhibits. If budgets and/or audits are to be introduced by the Employer at the formal hearing, it is advisable that the Union be given copies of the financial materials promptly so that it can do its homework properly.
 - c. Who will be the spokesperson for each of the parties?
 - d. Who will be the witnesses and the nature of their testimony?
 - e. Do the parties wish to use the "last best offer" concept on all issues? Economic issues require the "last best offer" approach, but the parties may agree to use this concept for non-economic issues as well.
 - f. Will offers be made at the end of the Hearing or within a reasonable time period following the conclusion of the Hearing, i.e., within thirty days? (Again, see attached).
6. Will briefs be filed? If so, what is the estimated date of filing? (See attached).
7. Briefly describe the bargaining unit and provide a copy of the expired agreement to the Chairman.
8. Who will be the parties' Panel members?
9. Other possible items?

The day after the pre-hearing conference, the Chairman prepared the following letter and sent a copy to each of the parties' advocates:

August 25, 1987

Mr. Milton Spokojny
6735 Telegraph Road
Birmingham, MI 48010

Ms. Alison L. Paton.
1000 Farmer Street.
Detroit, MI 48226

RE: INKSTER, CITY of -and- INKSTER FIRE FIGHTERS UNION, # 1577
(MERC Act 312 Case No. D86 E-1179)

Parties' Counsel:

At the Pre-Hearing Conference held on August 24, 1987 in the above referenced matter, several decisions were reached relative to procedure for the

1. The City's delegate will be Gregory Knowles, Inkster City Manager. The Union's delegate will be James Leskun, Union President. Substitution for delegates will be permitted. Delegates may ask questions during the Hearing.
2. Dates for the Hearing will be November 9, 10, 13, 20 and 23, 1987. Hearings to commence at 9:30 a.m each day.
3. The site of the Hearing will be determined at a later date and the Chairman notified accordingly.
4. A list of tentative agreements was presented by the Union. The City concurred. This list will be entered into the record at the opening of the Hearing.
5. Lists of issues, as identified by each party, were presented and accepted except for one minor change, i.e., the Union's EMT allowance increase issue restricted to first year only. Second and third year increases will not be an issue as these proposals were never presented during negotiations. Combining the lists constitutes the issues in dispute.
6. It was agreed that all of the Union's issues are "economic." It was agreed that all of the City's issues are "economic" except, Article II: Bargaining Committee; Article VII, Grievance Procedure; and Article XXVIII Union Business.
7. The parties agreed that all undisputed provisions of the expired collective bargaining agreement will be carried forward into the new agreement.

8. It was acknowledged that the post Act 312 award agreement will consist of: 1) the issues submitted to, and resolved by, the arbitration panel; 2) any terms agreed upon prior to invoking the Act 312 procedure, and 3) the undisputed terms carried forward from the expired contract.

9. Exhibits will be exchanged by delivery no later than November 4, 1987.

10. It was agreed that the Panel has jurisdiction over all of the identified issues in dispute.

11. Question related to the submission of briefs will be resolved at a later time.

12. The bargaining unit consists of 18 members of which 3 are lieutenants, 9 are fire fighters, and 6 are engineers.

13. The parties agreed to waiving any time limits provided for in the Act, if necessary.

14. The order of presentation will be as follows: Party A will present evidence for one of its issues. Party B will respond on that issue. Party B will present one of its issues. Party A will respond on that issue, etc. (I suggest that the parties reach an agreement as to who will present an issue first. Also, it might be helpful if each party identify and inform the other party as to the order it intends to follow in presenting its issues).

15. I assume that ability to pay will be an important question in this matter. Consequently, I suggest that the City be ready to submit copies of its audits and budgets as exhibits.

16. Attached is a tentative copy of an agenda for the opening of the Hearing on November 9. Please review the agenda and feel free to suggest revisions and additions prior to the opening of the record on November 9.

Thank you very much for the courtesy shown to me at the pre-hearing conference. I look forward to a speedy and satisfactory resolution of this matter.

Sincerely,

Kenneth Grinstead

4. Tentative Agreements.

At the pre-hearing conference, the parties stipulated to the following summary of tentative agreements.

1. Article VI: Union Dues and Initiation Fees.

(g) Change this sentence to conform to Article V(b): Deduction for any calendar month shall be remitted to the designation financial officer of the local Union not later than thirty (30) days after the deduction was made.

2. Article XI: Layoff and Recall

(a) Eliminate reference to XI at end of definition.

3. Article XII: Seniority

(d) Eliminate: "and as soon as practical the first year."

4. Article XIII: Promotions

Change this sentence to : All promotions shall be subject to both written and oral examinations. The written examination shall be weighted 70% and the oral examination shall be weighted 30% (total weight 100%) of the promotion process.

5. Article XXVI: Hospitalization Insurance.

Change language to reflect date of execution of Agreement:
"However, employees who retire [after 2-13-84] shall be granted a freeze on the dollar amount of his/her portion of health insurance premiums as of the date of retirement. . ."

6. Article LIII: Reopener for Dental Insurance.

Eliminate this section.

7. Article XIX: Jury Duty.

Add the following at the end of Article XIX" "An employee shall not be required to work on any days that he is serving on a jury."

8. Article LII: Duration.

Contract to emerge from this article shall be a three-year contract effective July 1, 1986 through June 30, 1989, with Article LII to be modified accordingly.

5. The Hearing.

Prior to the Hearing scheduled for November 9, 1987, the Chairman prepared the following agenda and sent a copy to each advocate:

TENTATIVE AGENDA

INTEREST ARBITRATION HEARING

INKSTER, CITY of -and- INKSTER FIRE FIGHTERS UNION, # 1577
(MERC Act 312 Case No. D86 E-1179)

November 9, 1987

1. Prior to opening record, unresolved questions regarding agenda items and procedure to be followed at the Hearing raised, if necessary, and resolved.
2. Record opened, Chairman sworn, Panel members identified.
3. Issues in dispute are entered into the record.
4. Expired Contract entered into the record.
5. TA's entered into the record.
6. Stipulations entered:
 - a. All issues in dispute are within jurisdiction of the Panel.
 - b. All issues are economic except the following three issues of the City: Article II: Bargaining Committee; Article VII, Grievance Procedure, and Article XXVIII Union Business.
 - c. Substitution for Panel Delegates allowed.
7. Other items:
 - a.
 - b.
 - c. (to be determined at the opening of the Hearing)
 - d.
 - e.
 - f.
8. Opening statements, if desired.
9. Presentation begins on first issue.

6. Economic -- Non Economic Question of the Manpower-Safety Issue.

Section 8 of Act 312 provides in pertinent part:

At or before the conclusion of the hearing held pursuant to section 6, the arbitration panel shall identify the economic issues in dispute, and direct each of the parties to submit, within such time limit as the panel shall prescribe, to the arbitration panel and to each other its last offer of settlement on each of the economic issues. The determination of the arbitration panel as to the issues in dispute and as to which of these issues are economic shall be conclusive.

Three days after the pre-hearing conference, the Union's representative, Alison Paton, wrote to the Chairman providing him with her perception that the "Union reserved the right to respond at some later time to the City's economic/non-economic designations of the City's issues." This was contrary to the Chairman's statement of the decisions reached at the pre-hearing conference. In his report to the parties following the pre-hearing conference, the Chairman wrote:

It was agreed that all of the Union's issues are "economic." It was agreed that all of the City's issues are "economic" except, Article II: Bargaining Committee; Article VII, Grievance Procedure; and Article XXVIII Union Business.

The above statement should have been:

The Union stated that it believed that all of its issues are "economic." The City stated that it believed that all of its issues are "economic" except, Article II: Bargaining Committee; Article VII, Grievance Procedure; and Article XXVIII Union Business.

On November 5, 1987, Ms. Paton provided the Chairman with a copy of a letter she sent to Mr. Spokojny, the City's representative. The letter included the agreed upon order of presentation of issues. In regard to the any agreement on the question as to which issues were economic or non-economic, Ms. Paton stated:

With regard to designation of the issues as economic or non-economic, the Union has designated all of its issues as economic, and I believe the City does not dispute any of those designations. Regarding the City issues, the City has designated all as economic except Bargaining Committee, Union Business, and Grievance Procedure. While the Union questions on a theoretical level the City's designation of Residency as economic, on a practical level it doesn't seem to warrant dispute. However, the Union does dispute the City's designation of Manpower as economic. Because manpower is a mandatory subject by virtue of its impact on job safety and workload (Alpena), the Union's position is that it is more appropriately a non-economic issue.

Prior to opening the record for the Hearing on November 9, 1987, the issue of the designation of the manpower-safety issue as economic or non-economic (Article XXXVIII: Working Conditions) was discussed. It was the Chairman's opinion that he had not intended to convey that an agreement had been reached at the pre-hearing conference as to which issues were economic and non-economic issues, or that the manpower-safety was economic. However, the City wished the matter disposed of prior to proceeding with the presentation of evidence on the issues rather than to wait until the end of the hearing.

At about 11:30 a.m., it was decided that the parties' would use the remainder of the day to research the question and return the following morning prepared to present arguments.

The next day, November 10, 1987, each party was given ample opportunity (from 9:30 a.m. to 11:30 a.m.) to present oral and written arguments on the question of whether the manpower-safety issue was economic or non-economic. Each party cited decisions from other Act 312 arbitration decisions in support of their positions.

The City cited a number of Act 312 decisions wherein the panels had concluded that manpower-safety was an economic issue.

The Union provided the Panel with excerpts from several Act 312 decisions. In City of Detroit and Detroit Fire Fighters Association, Chairman Robert Howlett, provided the following definition of an economic issue:

In the chairman's opinion, an economic issue is a contract proposal that involves payment of compensation or provides fringe benefits directly to employees.

In a second case involving the same parties, (City of Detroit and Detroit Fire Fighters Association), the City urged the panel to utilize the following test to determine whether an issue was economic or non-economic:

The basic test to be applied is whether an economic cost to the City is involved or an economic benefit is conferred upon the affected employees.

This test was rejected. Chairman Kavanagh stated:

Certainly any contract proposal that costs an employer money to implement in a sense raises an 'economic' issue, but some proposals that do so, confer on employees no 'economic benefit' directly.

To call any issue involving an economic cost to the City an 'economic' issue would largely defeat the purpose of distinguishing between 'economic' and 'non-economic' issues. We do not think that is what the Legislature had in mind.

The Kavanagh Panel adopted the definition of Chairman Howlett that was cited above. Act 312 does not define "economic issue." Since the parties to this proceeding disagree over whether the manpower-safety issue is economic or non-economic, the Panel must decide the question.

Upon completion of the arguments, this Panel ruled that man-power safety is a non-economic issue. This position is consistent with the interpretation of Howlett and Kavanagh, two well-known and distinguished arbitration panel chairmen. It was the opinion of the majority of the Panel that economic issues include those items that have a direct relation to employee income including wages, salaries, and hours in relation to earnings, and other forms of compensation such as paid vacations, paid holidays, health and medical insurance, and other economic benefits to employees. Because the manpower-safety issue does not involve direct payments of compensation or benefits to the bargaining unit members, the issue was deemed to be non-economic. The designation of an issue as "economic" does not depend upon whether it will have an economic impact upon the public employer.

Standards for Decision

Act 312 Applicable Factors

Section 9 of Act 312 provides that a Panel's "majority action and rulings shall constitute the actions and rulings of the arbitration panel." Under Section 8, a Panel "shall make written findings of fact and promulgate a written opinion and order upon the issues presented to it and upon the record made before it", and "the findings, opinion and order shall be just and reasonable and based upon the factors prescribed in Section 9." Section 9 provides:

Where there is no agreement between the parties, or when there is an agreement but the parties 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, as applicable:

- (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. MCL 423.239; MSA 17.455(39)

The Panel has been careful to delineate that evidence adduced at the Hearing and related to each of the factors in Section 9.

In addition to the factors enunciated in Section 9, the Panel's decisional authority has been guided by Section 8, as amended by 1972 PA 127, to provide for last-offer arbitration of economic issues. Section 8 provides in pertinent part:

As to each economic issue, the arbitration panel shall adopt the last offer of settlement which, in the opinion of the arbitration panel, more nearly complies with the applicable factors prescribed in section 9. The findings, opinions and order as to all other issues shall be based upon the applicable factors prescribed in section 9. (MCL 423.238; MSA 17.455(38)).

Court Decisions

A further guide to the Panel's decision-making procedures is supplied by the Michigan Supreme Court in Detroit v. DPOA, 408 Mich. 410 (1980) at 484:

The Legislature has neither expressly or implicitly evinced any intention in Act 312 that each factor in Section 9 be accorded equal weight. Instead, the Legislature has made their treatment, where applicable, mandatory on the panel through the use of the word 'shall' in Sections 8 and 9. In effect then, the Section 9 factors provide a compulsory checklist to ensure that the arbitrators render an award only after taking into consideration those factors deemed relevant by the Legislature and codified in Section 9. Since the Section 9 factors are not intrinsically weighted, they cannot of themselves provide the arbitrators with an answer. It is the panel which must make the difficult decision of determining which particular factors are more important in resolving a contested issue under the singular facts of a case, although, of course, all 'applicable' factors must be considered. Our comment in Midland Twp v. State Boundary Comm., 401 Mich 641, 676; 259 NW2d 326 (1977), is here apposite.

"Merely because some criteria were factually inapplicable or where found by the commission to be of less importance than other criteria does not mean that the commission 'ignored' relevant criteria. The commission may regard a particular criterion to be of decisive importance outweighing all other criteria."

Also, the Panel recognized its obligation to direct the parties to introduce evidence relating to the applicable factors when the parties themselves failed to introduce evidence on an applicable factor.

. . . .[T]he legislature, through the language of sections 8 and 9 have unequivocally directed that the panel, in making an award, treat the section 9 factors where applicable. Such language is not precatory and therefore the panel does not have the discretion to ignore any applicable section factors. Moreover, this legislative directive is no less obligatory on the panel when the parties themselves have failed to introduce evidence on an applicable factor. In such a case the panel, in order to comply with the intention of Act 312 that arbitral decisions be substantiated by evidence of, and emanate from consideration of, the applicable section 9 factors, must direct the parties to introduce evidence relating to the applicable factors. By so doing, the panel will be able, per the dictates of sections 8 and 9, to make findings based upon the applicable factors enumerated in section 9 from the evidence of record before it. Detroit v. DPOA, 408 Mich 410, 496 (1980).

It is the opinion of the Panel that its order reflects the applicable factors and the evidence establishing those factors is competent, material and substantial evidence on the whole record.

The Bargaining Unit

The bargaining unit consists of 18 members. Three (3) are lieutenants, nine (9) are fire fighters, and six (6) are engineers. There are three twenty-four (24) hour platoons consisting of six men each -- one lieutenant, two engineers, and three fire fighters. The parties expired collective bargaining agreement provides that the City shall maintain at least four bargaining unit members on duty at all times.

The City of Inkster

The City of Inkster is located in Wayne County, about 8 miles west of Detroit. It shares common boundaries with the following cities: Romulus, Garden City; Westland; Taylor; and Dearborn Heights. It population is about 35,000 and covers 6.28 square miles. The population is 42% white and 57% black. Median family income is about \$21,000.

Inkster has a Council/Mayor form of government. The City provides public safety, leisure, utilities, public works, community development, and general government services. The City is bisected by a combination of the Rouge River, Michigan Avenue and a major railroad. It developed as a residential community with single family homes built on forty-foot lots in a subdivision pattern in the 1950's. There is some industrial and commercial development in the City along the major arterial streets, especially Michigan Avenue and Inkster Road. About 75% of its assessed valuation is residential property.

ABILITY TO PAY

To evaluate the concept of ability to pay comparisons were made between Inkster and other neighboring municipalities. Local property tax and State shared revenues were reviewed. The operational fund of the City was analyzed.

Comparisons With Neighboring Municipalities

To compare Inkster's fiscal ability to support its fire services comparisons were made with similar municipalities in the region. Thirteen tables of data were assembled. The title of each table describes its subject. The number and titles of the tables are shown below. The tables have been placed together at the the end of this section.

Titles and Subjects of Tables on Ability to Pay

- Table 1 : Comparison of Commercial and Residential, Industrial, and Personal State Equalized Valuation (S.E.V.) of Property for 1987 for Nineteen Selected Michigan Municipalities.
- Table 2 : History of Increase/Decrease in State Equalized Valuation of Property for Thirteen Wayne County Municipalities.
- Table 3 : Changes in State Equalized Valuation of Property, 1982 through 1988, City of Inkster.
- Table 4 : Comparison Population, State Equalized Valuation of Property (S.E.V), and S.E.V. Per Capita for 19 Selected Michigan Municipalities
- Table 5 : Comparison State Equalized Valuation of Property (S.E.V.), per Bargaining Unit Member for 19 Selected Michigan Municipalities
- Table 6 : Total 1987 Millage for Operating and Debt for Nineteen Comparable Municipalities.
- Table 7 : Comparison Property Tax Generated Per Capita for Nineteen Selected Michigan Municipalities.
- Table 8 : Comparison Department Expenditures 19 Selected Municipalities (Ranked by Per Capita Expenditures)
- Table 9 : Comparison State Equalized Valuation Per Capita with Per Capita Fire Department Expenditures
- Table 10 : Comparison of Wages Paid Fire Fighters With State Equalized Valuation of Property Per Capita Seventeen Comparable Communities, July, 1986

Table 11 : Comparison 1984-85 Fire Costs per \$1,000 S.E.V. and Base Salary Paid Fire Fighters

Table 12 : Comparison of Estimated Per Capita Income for 1983 City of Inkster and Neighboring Comparable Communities

Table 13 : Comparison Median Housing Value and Tax Levies for Nineteen Comparable Municipalities.

1. State Equalized Valuation of Property.

The data in Tables 1-5 show information about state equalized assessments of property for Inkster and compare Inkster with neighboring communities. In these five tables, it can be seen that nearly three-fourths of Inkster's tax base is "residential" and has increased only 1.30% over the past six-year period. In fact, the taxable valuation of residential property has declined by \$4,400,000 during that same period. This reflects the large number of properties that have been removed from the tax rolls. Fortunately, there has been some increase in commercial and industrial property valuations in Inkster. Taken together, these five tables indicate the City has received relatively minor increases in property tax revenues generated by increases in assessed valuation of property. This is a negative feature of Inkster's ability to pay.

Perhaps the best data to evaluate a City's ability to pay is the taxable wealth supporting each resident expressed as SEV/per capita. Data in Table 4 show the per capita state equalized valuation of property in nineteen comparable communities. Inkster is the lowest at \$5,211 compared with the median of \$9,283. Inkster has only one-fourth the SEV/per capita as Trenton with \$20,934. Of its bordering neighbors, Dearborn Heights has \$10,388, Garden City has \$8,107, Wayne \$11,476, and Westland \$8,512.

In Table 5, the state equalized valuation per bargaining unit member is shown. Inkster ranks fourteenth among the nineteen municipalities.

2. Property Tax Rates.

Property tax rates reflect to some extent the "effort" of a community to support its City services. Of the nineteen municipalities shown in Table 6, Inkster has the fourth highest total millage. This is indicative that the City has demonstrated a desire to maintain quality services despite a relatively low level of ability to pay as expressed in SEV/per capita.

The purpose of Table 7 is show the property tax revenues generated per capita in each of the comparable municipalities. Even though the City has the fourth highest tax levy, it ranks eighteenth at \$131 in the amount of property tax generated per capita. Again, these data indicate that Inkster has a relatively low level of ability to pay.

3. Fire Department Expenditures.

Table No. 8 was developed to show a comparison of Inkster's fire department expenditures with neighboring communities. The median per capita expenditures for fire departments was \$45.80, while Inkster was the lowest at \$23.66. While these data suggest that Inkster's expenditures are not comparable to those in other municipalities, it must be remembered that equipment costs can dramatically influence total expenditures of a department. The City questioned the validity of the data related to fire department expenditures because of differences in reporting procedures. However, on the form provided by the State for reporting these data are the following instruction:

This report is based on fund, activity, and account descriptions from the Uniform Procedures Manual for Local Units of Government in Michigan (Michigan Department of Treasury, 1984). The manual must be used in preparing this report.

As can be seen in Table 8, the portion of the General Fund expended by Inkster for fire services is only 9.60%. This small percentage generates only \$23.66 per capita and this figure ranks last among the nineteen municipalities. Of the nearby communities, Dearborn Heights spent \$48.96 per capita; Wayne \$47.81; Westland, \$39.09; and, Garden City, \$33.99. The median for all nineteen municipalities was \$45.80. It is apparent that Inkster has not made the same level of commitment to funding its fire department as have other communities.

Utilizing data in the last two Audits for the City of Inkster, the following information regarding recent budget expenditures was developed.

<u>Year</u>	<u>General Fund Expenditures</u>	<u>Fire Department Expenditures</u>	<u>Fire Department Expenditures as a Percent of General Fund</u>
1986-87	\$ 8,848,415	\$ 892,990	10.09%
1987-88	9,267,028	1,041,901	11.24%

While these percentages are low, wage and benefit increases for 1986-87 and 1987-88 have not been included in the expenditures. Consequently these percentages will increase.

In order to determine whether a correlation existed among the nineteen municipalities between S.E.V. per capita and per capita fire department expenditures, we prepared Table No. 9, and applied a simple mathematical formula. To make this evaluation, a coefficient of correlation of rankings was utilized where +1.0 is a complete positive relationship, 0 is no correlation, and -1.0 is a complete negative relationship. The coefficient of correlation between the S.E.V. per capita rankings and the per capita fire department expenditures rankings was +.36. This indicates only a a tendency for the two factors to be related.

4. Relationship Between Wealth and Wages.

In Table No. 10, we compared the ranking of base wages with S.E.V. per capita. If the financial ability of a municipality impacts its capacity to pay wages to its firefighting personnel, this fact should be revealed in the factual information presented at the Hearing. Firefighter wages paid by seventeen municipalities (excluding Inkster) effective July 1, 1986, were compared with the S.E.V. per capita. The coefficient of correlation was $-.40$. This figure indicates that a slight negative relationship exists between wages paid to firefighters and S.E.V. per capita. This finding indicates that factors other than S.E.V. per capita also influence firefighter wages.

In Table 11, the wages of firefighters were compared with fire costs for each \$1,000 in state equalized valuation. This Table shows that practically no relationship ($+.21$) between these two factors.

5. Per Capita Income of Comparable Municipalities.

The 1983 per capita income for the City of Inkster was calculated to be \$8,071 and ranked fifteenth among eighteen communities. However, the percentage increase in per capita income between 1979 and 1983 for Inkster was 19.8%. This increase ranked second among the eighteen communities.

6. Comparison of Housing Values and Tax Levies.

Data in Table No. 13 was prepared to show the relationship between the median housing value and tax levy for comparable municipalities. These data again show that Inkster ranks very low in value of housing and high in its tax levy. These data support data in the previous tables.

Tables

On the next thirteen pages are the tables discussed above.

Table 1

Comparison of Commercial and Residential, Industrial, and Personal
State Equalized Valuation (S.E.V.) of Property for 1987
for Nineteen Selected Michigan Municipalities

Municipality	Commercial S.E.V.		Residential S.E.V.		Industrial S.E.V.		Personal S.E.V.		Total S.E.V.
	Value	% of Total	Value	% of Total	Value	% of Total	Value	% of Total	
Allen Park	\$ 42,314,810	11%	\$ 267,624,630	69%	\$ 32,599,400	8%	\$ 45,194,320	12%	\$ 387,733,160
Dearborn Hgts.	79,425,300	12%	534,234,850	82%	11,040,630	2%	30,530,100	5%	655,290,880
East Detroit	41,748,159	13%	269,469,160	81%	3,301,299	1%	18,023,700	5%	352,542,400
Ferdale	34,460,700	15%	136,481,300	61%	23,488,700	11%	29,360,700	13%	222,791,400
Garden City	31,957,680	12%	217,056,200	81%	4,630,600	1%	15,949,280	6%	269,642,760
Hazel Park	25,037,000	17%	98,195,950	68%	7,743,900	5%	13,368,800	9%	144,345,650
INVESTOR	26,946,610	16%	124,939,690	73%	5,179,970	3%	15,095,500	9%	172,161,770
Lincoln Park	51,445,310	16%	240,320,720	74%	8,729,550	2%	23,859,550	7%	324,365,130
Madison Hgts.	95,599,200	18%	199,371,500	37%	117,544,300	22%	120,766,150	23%	533,391,150
Melvindale	13,963,640	13%	53,051,280	49%	25,021,380	23%	16,847,340	15%	133,883,640
Plymouth	29,750,850	19%	95,173,800	62%	12,344,420	8%	15,546,100	10%	152,815,170
River Rouge	5,066,970	2%	31,619,110	15%	53,593,520	25%	122,193,710	53%	212,473,040
Southgate	73,049,070	25%	187,967,930	65%	8,738,810	3%	21,579,300	7%	291,335,200
Trenton	36,354,370	8%	162,986,660	37%	75,156,860	17%	170,628,500	33%	445,126,450
Wayne	36,890,730	15%	99,823,420	41%	42,071,240	18%	63,703,700	26%	242,579,090
Westland	185,770,650	27%	434,320,100	63%	24,337,600	4%	46,259,600	7%	690,687,950
Wyandotte	39,685,520	14%	187,326,410	64%	20,443,570	7%	44,519,940	15%	291,975,440
Ypsilanti	39,238,300	20%	85,015,050	44%	12,430,000	6%	57,829,500	20%	194,512,850
Ypsilanti Twp.	83,620,820	18%	222,603,900	48%	56,138,240	12%	69,491,770	19%	440,850,530

Table 2

History of Increase/Decrease
in State Equalized Valuation of Property
Thirteen Wayne County Municipalities

<u>Municipality</u>	<u>1982 Total S.E.V.</u>	<u>1988 Total S.E.V.</u>	<u>Seven Year Increase/ Decrease Total S.E.V.</u>	<u>% Increase/ Decrease S.E.V.</u>
Allen Park	\$400,661,330	\$ 405,543,260	+ 4,881,930	+ 1.2%
Dearborn Heights	647,881,700	665,752,870	+ 17,871,170	+ 2.7%
Garden City	270,360,580	283,787,240	+ 13,426,660	+ 4.9%
INKSTER	175,294,350	177,671,490	+ 2,377,140	+ 1.3%
Lincoln Park	342,635,530	339,601,560	- 3,033,970	- 0.8%
Melvindale	111,295,360	111,142,750	- 152,610	- 0.1%
Plymouth	148,437,300	178,024,360	+ 29,587,060	+ 19.9%
River Rouge	256,341,960	212,988,790	- 43,353,170	- 16.9%
Southgate	282,599,720	323,908,140	+ 42,308,420	+ 15.0%
Trenton	455,237,850	445,348,970	- 9,888,880	- 2.1%
Wayne	232,511,900	252,171,150	+ 19,659,250	+ 8.4%
Westland	647,262,900	760,478,570	+113,215,670	+ 17.4%
Wyandotte	301,361,200	296,917,600	- 4,443,600	- 1.5%

Table 3

Changes in State Equalized Valuation of Property
1982 through 1988
City of Inkster

<u>Year</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Residential</u>	<u>Personal</u>	<u>Total</u>
1982	\$ 27,220,280	\$ 4,622,310	\$ 132,256,680	\$ 11,195,080	\$ 175,294,350
1983	27,374,920	4,771,940	130,454,840	11,968,590	174,570,290
1984	27,154,720	4,857,980	123,478,730	12,695,800	168,186,510
1985	26,618,520	4,774,800	126,585,440	12,911,890	170,890,380
1986	27,118,640	4,775,630	123,093,520	13,952,740	168,940,530
1987	26,946,610	5,179,970	124,939,690	15,095,500	172,161,770
1988	28,830,700	5,339,000	127,851,640	15,650,150	177,671,490

Table 4

Comparison
Population, State Equalized Valuation of Property (S.E.V.),
and S.E.V. Per Capita for 19 Selected Michigan Municipalities

<u>Municipality</u>	<u>1984 Population</u>	<u>1987. Total S.E.V.</u>	<u>S.E.V. Per Capita</u>
Allen Park	31,619	\$387,733,160	\$12,263
Dearborn Heights	63,081	655,290,880	10,388
East Detroit	35,824	332,542,318	9,283
Ferndale	25,195	223,791,400	8,882
Garden City	33,255	269,602,760	8,107
Hazel Park	20,294	144,345,650	7,113
INKSTER	33,040	172,161,770	5,211
Lincoln Park	43,201	324,365,130	7,508
Madison Heights	34,358	533,301,150	15,522
Melvindale	11,661	108,883,640	9,337
Plymouth	10,131	152,815,170	15,084
River Rouge	11,970	212,473,040	17,750
Southgate	30,742	291,335,200	9,477
Trenton	21,263	445,126,450	20,934
Wayne	21,138	242,579,090	11,476
Westland	81,143	690,687,950	8,512
Wyandotte	31,888	291,975,440	9,156
Ypsilanti	23,305	194,512,850	8,346
Ypsilanti Township	44,622	460,320,530	10,316
MEDIAN			\$ 9,283

Table 5

Comparison State Equalized Valuation of Property (S.E.V.),
per Bargaining Unit Member
for 19 Selected Michigan Municipalities

<u>Municipality</u>	<u>Bargaining Unit Members</u>	<u>1987. Total S.E.V.</u>	<u>S.E.V. per Bargaining Unit Member</u>
Allen Park	30	\$387,733,160	\$12,924,438
Dearborn Heights	48	655,290,880	13,651,893
East Detroit	21	332,542,318	15,835,348
Ferndale	31	223,791,400	7,219,077
Garden City	23	269,602,760	11,721,859
Hazel Park	18	144,345,650	8,019,202
INKSTER	18	172,161,770	9,564,542
Lincoln Park	32	324,365,130	10,136,410
Madison Heights	31	533,301,150	17,203,262
Melvindale	14	108,883,640	7,777,402
Plymouth	7	152,815,170	21,830,738
River Rouge	18	212,473,040	11,804,057
Southgate	24	291,335,200	12,138,966
Trenton	33	445,126,450	13,488,680
Wayne	18	242,579,090	13,476,616
Westland	54	690,687,950	12,790,517
Wyandotte	37	291,975,440	7,891,228
Ypsilanti	21	194,512,850	9,262,516
Ypsilanti Township	34	460,320,530	13,538,839

Table 6
Total 1987 Millage
for Operating and Debt
Nineteen Comparable Municipalities

<u>Municipality</u>	<u>Tax Levy In Mills</u>	<u>Rank</u>
Allen Park	16.00	15
Dearborn Heights	15.55	16
East Detroit	17.65	12
Ferndale	25.27	3
Garden City	18.00	11
Hazel Park	24.35	6
INKSTER	24.90	4
Lincoln Park	24.35	7
Madison Heights	14.00	18
Melvindale	34.53	1
Plymouth	19.17	9
River Rouge	29.86	2
Southgate	17.20	13
Trenton	19.00	10
Wayne	20.99	8
Westland	14.67	17
Wyandotte	16.48	14
Ypsilanti	24.49	5
Ypsilanti Township	9.35	19

Table 7
Comparison
Property Tax Generated Per Capita
for Nineteen Selected Michigan Municipalities

	<u>1987 S.E.V.</u>	<u>City Property Tax Rate (in mills)</u>	<u>Revenue Generated</u>	<u>Tax Generated Per Capita</u>
Allen Park	\$387,733,160	20.72	\$ 8,033,831	\$254
Dearborn Heights	655,290,880	16.00	10,484,654	166
East Detroit	332,542,318	17.65	5,869,372	164
Ferndale	223,791,400	25.27	5,655,208	224
Garden City	269,602,760	18.03	4,860,938	146
Hazel Park	144,345,650	24.59	3,549,460	175
INKSTER	172,161,770	25.27	4,350,527	131
Lincoln Park	324,365,130	25.35	8,222,656	190
Madison Heights	533,301,150	14.28	7,615,540	222
Melvindale	108,883,640	34.55	3,761,930	323
Plymouth	152,815,170	19.20	2,934,051	290
River Rouge	212,473,040	29.87	6,346,570	530
Southgate	291,335,200	21.32	6,211,266	202
Trenton	445,126,450	29.02	12,917,569	607
Wayne	242,579,090	21.01	5,096,587	241
Westland	690,687,950	25.07	17,315,546	213
Wyandotte	291,975,440	21.84	6,376,744	200
Ypsilanti	194,512,850	25.39	4,938,681	212
Ypsilanti Township	460,320,530	9.35	4,303,996	96
MEDIAN		21.32		202

Table 8

Comparison
Fire Department Expenditures 19 Selected Municipalities
(Ranked by Per Capita Expenditures)

<u>Municipality</u>	<u>1984-85 General Fund Exp.</u>	<u>1984-85 Fire Department Expenditures</u>	<u>Fire Expenditures as Per Cent of General Fund Expenditures</u>	<u>Per Capita Fire Department Expenditures</u>
Trenton	\$ 8,919,856	\$1,545,928	17.30%	\$72.70
River Rouge	9,465,867	833,863	8.80%	69.66
Ferndale	8,604,851	1,679,758	19.50%	66.67
Ypsilanti	7,308,021	1,261,157	17.25%	54.11
Lincoln Park	11,046,760	2,182,452	19.80%	50.52
Dearborn Hgts.	16,601,139	3,088,254	18.60%	48.96
Madison Hgts.	9,390,600	1,648,906	17.60%	47.99
Wayne	7,761,749	1,010,505	13.00%	47.81
Southgate	8,839,000	1,466,997	16.60%	47.72
Hazel Park	6,874,338	929,555	13.50%	45.80
Allen Park	11,190,353	1,425,677	12.70%	45.09
Wyandotte	8,109,544	1,330,373	16.40%	41.72
Melvindale	4,308,037	469,289	10.90%	40.24
Westland	17,629,548	3,172,263	17.90%	39.09
Ypsilanti Tp.	4,653,583	1,717,072	36.90%	38.48
Plymouth	4,879,511	352,567	7.20%	34.80
Garden City	7,808,783	1,130,326	14.50%	33.99
East Detroit	8,526,247	1,145,081	13.40%	31.96
INKSTER	8,140,865	781,609	9.60%	23.66
MEDIAN	8,526,247	\$1,261,157	14.50%	\$45.80

Table 9

Comparison State Equalized Valuation Per Capita
with
Per Capita Fire Department Expenditures

<u>Municipality</u>	<u>S.E.V. Capita</u>	<u>Rank</u>	<u>Per Capita Fire Department Expenditures</u>	<u>Rank</u>
Allen Park	\$12,263	5	\$ 45.09	11
Dearborn Heights	10,388	7	48.96	6
East Detroit	9,283	11	31.96	18
Ferndale	8,882	13	66.67	2
Garden City	8,107	16	33.99	17
Hazel Park	7,113	18	45.80	10
INKSTER	5,211	19	23.66	19
Lincoln Park	7,508	17	50.52	4
Madison Heights	15,522	3	47.99	7
Melvindale	9,337	10	40.24	13
Plymouth	15,084	4	34.80	16
River Rouge	17,750	2	69.66	3
Southgate	9,477	9	47.72	9
Trenton	20,934	1	72.70	1
Wayne	11,476	6	47.81	8
Westland	8,512	14	39.09	14
Wyandotte	9,156	12	41.72	12
Ypsilanti	8,346	15	54.11	5
Ypsilanti Township	10,316	8	38.48	15
MEDIAN	\$ 9,283		\$ 45.80	

Table 10

Comparison of Wages Paid Fire Fighters
With State Equalized Valuation of Property Per Capita
Seventeen Comparable Communities, July, 1986

<u>Municipality</u>	<u>Fire Fighter Wages</u>		<u>State Equalized Valuation Per Person</u>	
	<u>In Effect July 1, 1986</u>	<u>Rank</u>	<u>SEV/PC</u>	<u>Rank</u>
Allen Park	\$ 30,000	5	\$ 12,263	4
Dearborn Heights	28,226	13	10,388	6
East Detroit	26,038	17	9,238	10
Ferndale	29,205	7	8,882	12
Garden City	29,441	6	8,107	15
Hazel Park	31,250	1	7,113	17
Madison Heights	30,178	3	7,508	16
Melvindale	27,435	14	9,337	9
Plymouth	28,629	11	15,084	3
River Rouge	28,579	12	17,750	2
Southgate	30,038	4	9,477	8
Trenton	28,887	9	20,934	1
Wayne	29,188	8	11,476	5
Westland	30,950	2	8,512	13
Wyandotte	26,768	16	9,156	11
Ypsilanti	28,768	10	8,346	14
Ypsilanti Twp.	27,050	15	10,316	7

Table 11

Comparison 1984-85 Fire Costs per \$1,000 S.E.V.
and Base Salary Paid Fire Fighters

<u>Municipality</u>	<u>Wages In Effect July 1, 1986</u>	<u>Rank</u>	<u>1984-85 Fire Cost Per \$1,000 S.E.V.</u>	<u>Rank</u>
Allen Park	\$ 30,000	5	\$ 3.72	13
Dearborn Heights	28,226	13	5.15	6
East Detroit	26,038	16	3.50	14
Ferndale	29,205	7	8.13	1
Garden City	29,441	6	4.35	10
Hazel Park	31,250	1	6.79	3
INKSTER *			4.65	
Madison Heights	30,178	3	3.99	12
Melvindale	27,435	14	4.39	9
Plymouth	28,629	11	2.44	15
River Rouge	28,579	12	N.A.	
Southgate	30,038	4	5.49	4
Trenton	28,887	9	4.12	11
Wayne	29,188	8	4.45	8
Westland	30,950	2	5.22	5
Wyandotte	26,768	15	4.81	7
Ypsilanti	28,768	10	6.86	2
Ypsilanti Twp.	27,050		N.A.	

Range in fire costs per \$1,000 S.E.V. in 1984-85 was \$2.44 to \$8.13. The average was \$4.88 and the median was \$4.45.

* INKSTER not included because July 1, 1986 salary not determined. However, INKSTER June 30, 1986 wages in effect were \$26,100.

Table 12

Comparison of Estimated Per Capita Income for 1983
City of Inkster and Neighboring Comparable Communities

<u>Community</u>	<u>1983 Per Capita Income</u>	<u>% Increase in Per Capita Income, 1979 - 1983</u>	<u>Rank</u>
Allen Park	\$ 11,478	12.9	13
Plymouth	11,312	17.3	6
Dearborn Heights	10,806	13.9	12
Trenton	10,806	11.6	15
Ypsilanti Tp.	10,051	17.9	5
East Detroit	9,906	18.7	3
Southgate	9,854	9.8	17
Westland	9,653	16.2	7
Madison Heights	9,594	15.2	8
Garden City	9,503	9.2	18
Melvindale	9,177	11.5	16
Wyandotte	8,888	11.7	14
Wayne	8,885	14.4	10
Ferndale	8,797	18.0	4
INKSTER	8,071	19.8	2
Ypsilanti	8,016	24.3	1
Hazel Park	8,825	14.7	9
River Rouge	7,299	14.0	11

Table 13

Comparison Median Housing Value and Tax Levies
for
Nineteen Comparable Municipalities

<u>Municipality</u>	<u>Median Housing Value</u>	<u>Rank</u>	<u>1987 Tax Levy (In mills)</u>	<u>Rank</u>
Allen Park	\$ 48,100	3	16.00	15
Dearborn Heights	46,800	4	15.55	16
East Detroit	38,800	11	17.65	12
Ferndale	27,600	17	25.27	3
Garden City	43,100	7	18.00	11
Hazel Park	26,500	18	24.35	6
INKSTER	29,400	16	24.90	4
Lincoln Park	34,500	14	24.35	7
Madison Heights	39,700	10	14.00	18
Melvindale	29,900	15	34.53	1
Plymouth	61,100	1	19.17	9
River Rouge	20,900	19	29.86	2
Southgate	42,300	9	17.20	13
Trenton	53,000	2	19.00	10
Wayne	37,700	12	20.99	8
Westland	45,300	5	14.67	17
Wyandotte	35,100	13	16.48	14
Ypsilanti	45,200	6	24.49	5
Ypsilanti Township	42,800	8	9.35	19

General Fund Revenues for City of Inkster

The financial capacity of a municipality to generate revenues to meet its annual budgetary obligations is an important factor when assessing financial ability. The City of Inkster derives General Fund revenues from several sources as shown below:

Table 14

City of Inkster General Fund Revenues

<u>Source</u>	<u>1986-87</u> <u>(Actual)</u>	<u>1987-88</u> <u>(Actual)</u>	<u>1988-89</u> <u>(Budget)</u>
Property Taxes	\$ 4,268,178	\$ 4,376,724	\$ 4,454,650
Licenses and Permits	110,732	120,760	102,205
Federal Shared Revenues	-	-	-
State Shared Revenues	2,844,082	3,002,676	3,005,100
Charges for Services	627,979	669,314	631,844
Interest Earned	260,409	310,239	250,000
Other Revenues	494,110	509,402	534,500
Transfers from Other Funds	75,198	-	-
Total	\$ 8,680,688	\$ 8,989,115	\$ 8,978,299

Data in the above Table shows that between 1986-87 and 1987-88 fiscal years, the total General Fund Revenues increased by \$308,427, or 3.55%. It is estimated by the City that its General Fund Revenues for 1988-89 will decrease slightly (\$10,816) despite the fact that property tax revenues will increase by \$77,926.

Property Tax and State Shared Revenues

Table 15

City of Inkster Combined Revenues from (SEV) of Property and State Shared Revenues Five Year History

<u>Year</u>	<u>Property Tax</u> <u>Revenues</u>	<u>State Shared</u> <u>Revenues</u>	<u>Total</u>	<u>Annual</u> <u>Per Cent</u> <u>Increase</u>
1984-85	\$ 4,050,871	\$ 2,541,881	\$ 6,592,752	-
1985-86	4,200,464	2,726,281	6,926,745	5.07%
1986-87	4,268,178	2,844,082	7,112,260	2.68%
1987-88	4,376,724	3,002,676	7,379,400	3.76%
1988-89 *	4,454,650	3,005,100	7,459,750	1.91%

*Budget estimates

Because the major source of revenue for the City is property taxes, it is important to show the trend in annual state equalized valuation of property for the City for a five-year period. This is shown below:

Table 16

City of Inkster
State Equalized Valuation (SEV) of Property
and Property Tax Revenues
Five Year History

<u>Year</u>	<u>Total SEV</u>	<u>Per Cent SEV Increase Over Prior Year</u>	<u>Total Property Tax Revenues</u>	<u>Per Cent Property Tax Revenue Increase Over Prior Year</u>
1984-85	\$ 168,186,510		\$ 4,050,871	
1985-86	170,890,380	1.61%	4,200,464	3.69%
1986-87	168,940,530	-1.14%	4,268,178	1.59%
1987-88	172,161,770	1.90%	4,376,724	2.54%
1988-89	177,671,490	3.20%	4,454,650	2.15%

These data show that state equalized property valuations and property tax revenues in Inkster have increased only modestly during the past five-year period and reflect the general low level of economic development of the City. The poor property valuation of the City is apparent in the large number of subsidized public housing units (1,022). Of the total number of public housing units in Inkster and eight (8) other nearby communities, about 1/3 are located in Inkster.

When compared to local property tax revenues, the City of Inkster has fared somewhat better from State shared revenues as shown in the below:

Table 17

Annual Increase in State Revenue Sharing

<u>Year</u>	<u>State Revenue</u>	<u>% Annual Increase</u>
1984-85	\$2,541,881	-
1985-86	2,726,381	7.26%
1986-87	2,844,082	4.32%
1987-88	2,963,121	4.19%
1988-89 *	3,005,100	1.42%

* Budget Estimate by City

General Fund Balance and Fiscal Ability to Pay

City Treasurer James Klobuchar, who is also a Certified Public Accountant testified that it is recommended that a municipality have a General Fund Equity Balance equal to about 10% of its General Fund expenditures for one fiscal year. Shown below are the General Fund Audited Revenues and Balances since 1982-83.

<u>Year</u>	<u>Revenues</u>	<u>General Fund Equity Balance</u>
1982-83	\$ 6,710,893	1,182,092
1983-84	7,208,541	1,229,798
1984-85	8,095,060	1,560,992
1985-86	8,381,465	2,036,688
1986-87	8,605,490	1,964,956
1987-88	8,989,115	1,875,233

The General Fund Equity Balance at the end of the 1986-86 fiscal year was \$1,964,956. The balance on June 30, 1988 was \$1,875,000, or \$90,000 less than the previous year. This means that expenditures exceeded revenues by \$90,000, a figure sometimes referred to as a "deficit." (Generally the word "deficit" in accounting terms is used to mean that the fiscal liabilities of the municipality exceed its fiscal assets. Within this context the City does not have a "deficit").

The City asserts that a General Fund Equity Balance has two components: designated and undesignated. A designated portion of the balance includes monies set aside to meet the payment for expenditures already committed. The City presented evidence that \$1,233,481 of its June 30, 1988 General Fund Equity Balance had been designated leaving an undesignated fund balance of \$641,529. Items for which the City has committed but has yet to pay are:

\$ 165,932	Computer for Police Department
122,887	Computer for City Hall
42,000	E-911 Equipment (enhanced emergency call-in system)
230,000	Shortage in the Workers' Compensation Fund
50,000	City Share of a Park Development Grant
112,662	Money to Balance 1988-89 budget
510,000	Future Property Tax Chargebacks
 \$1,233,481	 Total

Future property tax chargebacks are reported for a five-year period and occur thusly. Property taxes are collected by the County and distributed to municipalities. Under the plan, Inkster will each year receive an amount from the County equal to all of the property taxes due. However, some taxes are not paid by property owners each year. (Delinquent taxes). Each year the municipality is charged the amount delinquent in the previous fifth year. The auditors recommend that the potential charges for all five years should be considered as a part of the "designated" General Fund Equity Balance.

This may be an appropriate accounting of the property tax chargebacks, but since the City is only obligated to pay for one year of the chargebacks each fiscal year, the "undesignated" General Fund Equity Balance would be somewhat larger than \$635,938. Nevertheless, the history of expenditures and revenues for the City indicates only modest increases in property tax revenues with expenditures exceeding revenues during 1986-87 and 1987-88, and estimated in the 1988-89 budget.

Summary of Findings on Ability to Pay

Data in this section have revealed the following information regarding ability to pay.

1. The Council and Mayor have exercised fiscal responsibility in managing the City's finances as demonstrated by the General Fund Equity Balance.
2. The fiscal capacity of the City, when compared with neighboring municipalities, is poor. It has experienced a low increase in S.E.V. over the past few years, has a low S.E.V. per capita, a relatively high (comparably) property tax levy, and low revenues per capita. These data are also supported when comparing median housing values and per capita income. There is no question that the City has limited resources while at the same time making a good effort in terms of tax levies to support its services.
3. Even though Inkster has the fourth highest property tax levy of the comparable communities, it has the nearly the lowest property tax revenues generated per capita from that tax.
4. The Per Capita Fire Department Expenditures in Inkster when compared with other municipalities is the lowest, at \$23.66.
5. The percentage of the General Fund Expenditures spent for firefighting in Inkster when compared with neighboring communities, is the lowest at 9.60%. While budgetary prioritizing is the responsibility of the City Council and Mayor, too low a percentage of the budget allocated for fire fighting may indicate payment of salaries that are too low.
6. Total City revenues have increased more rapidly than property tax revenues because State revenues have increased by 18.23% since 1984-85 while property tax revenues increased only 10% in the same period.
7. While there are some differences in evaluating the General Fund Equity Balance, it is probably near \$750,000 after subtracting designated expenditures. Some of that balance will be used to pay for economic benefits awarded to the firemen.
8. Data show that S.E.V. per capita is not a good comparison with base wages paid firemen in the comparable municipalities.

COMPARABLES

The Union has proposed the following municipalities to be used for comparison purposes:

Allen Park *	Dearborn Heights *
East Detroit	Ferndale
Garden City *	Hazel Park
Lincoln Park *	Madison Heights
Melvindale *	Plymouth *
River Rouge *	Southgate *
Trenton *	Wayne *
Westland *	Wyandotte *
Ypsilanti	Ypsilanti Tp.

* Wayne County Municipalities

Of the above listed eighteen (18) municipalities, twelve (12) plus Inkster, are located in Wayne County. East Detroit is in Macomb County on the north edge of Detroit. Ferndale, Madison Heights, and Hazel Park are located in the south-east corner of Oakland County. Ypsilanti and Ypsilanti Township are located on the east side of Washtenaw County. Except for the latter two municipalities, all are considered to be in, or very near to, the first "ring" of suburbs of the City of Detroit.

The City has asserted the comparables to be most useful are those "internal" to the City, particularly the police patrol unit.

It isn't necessary for the Panel to accept only one of the sets of comparables offered by the parties. Throughout the Hearing, both parties referred to both external and internal units for comparison. For example, the Union compared the residency requirement for fire fighters with police officers; engineers' pay with detective pay; and, education incentive pay of fire fighters with police officers. The City compared Inkster's number of subsidized housing units, millage levy, state equalized valuation of property, and state equalized valuation of property per capita with the Union's selected list of comparable municipalities.

We have, therefore, utilized data from both the City's internal comparables and the Union's 18 municipalities for comparison purposes. In the normal conduct of collective bargaining, decisions are made and settlements reached by using both internal and external comparisons of data.

The 18 municipalities are located within a reasonable geographic distance from Inkster, exist in a fairly similar economic environment, are serviced for the most part by full-time fire fighters rather than by volunteers or paid-on-call firefighters, are reasonably comparable in population, property tax levies, state equalized valuations, and number of fire department employees.

The parties submitted data for comparison purposes on all of the following:

Population
Number of bargaining unit members
Number of bargaining unit members per 1,000 residents
Square miles in municipality
Number of bargaining unit members per square mile
Minimum number of Fire Fighters on duty
Minimum number of Fire Fighters on duty per 1,000 residents
Number of housing units
Number of housing units per bargaining unit members
Number of fire runs in one year
Number of fire runs in one year per bargaining unit members
Number of rescue runs in one year
Number of rescue runs in one year per bargaining unit members
Total number of runs all types in one year
Total number of runs all types in one year per bargaining unit members
Per capita income
Increase in per capita income 1979 - 1983
Total state equalized valuation of property
State equalized valuation components - commercial, residential, industrial, and personal
History of changes in state equalized valuation of property
State equalized valuation of property per capita
State equalized valuation of property per bargaining unit members
Property tax levies
Revenue generated by property tax levy
Revenue generated by property tax levy per capita
Total general fund expenditures
Expenditures for fire department
Percent fire department expenditures are of total general fund costs
Per capita fire department expenditures
Median housing values
Municipalities in mutual aid pact
Internal (police patrol) unit

The following six tables were developed from evidence submitted by the parties at the Hearing. (Other comparisons are shown in other sections of this report).

- Table 1. Comparison Number of Bargaining Unit Members, Minimum Number Fire Fighters on Duty, and On-Duty Fire Fighters Per 1,000 Population for Nineteen Comparable Municipalities
- Table 2. Comparison Number of Housing Units per Bargaining Unit Member, Nineteen Comparable Municipalities
- Table 3. Comparison Fire/Rescue Runs in Nineteen Comparable Municipalities for 1987
- Table 4. Comparison Number of Bargaining Unit Members per Square Mile, Nineteen Comparable Municipalities
- Table 5. Comparison, Number of Bargaining Unit Members Per Capita Nineteen Comparable Municipalities
- Table 6. Communities Participating in Mutual Aid Pacts With the City of Inkster

Table 1

Comparison
 Number of Bargaining Unit Members,
 Minimum Number Fire Fighters on Duty,
 and On-Duty Fire Fighters Per 1,000 Population for
 Nineteen Comparable Municipalities

<u>Municipality</u>	<u>1984 Population</u>	<u>Bargaining Unit Members</u>	<u>Minimum Number of Fire Fighters On Duty</u>	<u>Minimum Number of Fire Fighters On Duty Per 1,000 Pop.</u>
Allen Park	31,619	30	7	.22
Dearborn Heights	63,081	48	10	.16
East Detroit	35,824	21	5	.14
Ferndale	25,195	31	7	.28
Garden City	33,255	23	5	.15
Hazel Park	20,294	18	5	.25
INKSTER	33,040	18	4	.12
Lincoln Park	43,201	32	8	.19
Madison Heights	34,358	31	7	.20
Melvindale	11,661	14	4	.34
Plymouth	10,131	7	2	.20
River Rouge	11,970	18	5	.42
Southgate	30,742	24	6	.20
Trenton	21,263	33	8	.38
Wayne	21,138	18	5	.24
Westland	81,143	54	13	.16
Wyandotte	31,888	37	8	.25
Ypsilanti	23,305	21	6	.26
Ypsilanti Twp.	44,622	34	9	.20

Table 2

Comparison
Number of Housing Units per Bargaining Unit Member
Nineteen Comparable Municipalities

<u>Municipality</u>	<u>Number of Housing Units</u>	<u>Bargaining Unit Members</u>	<u>Number of Housing Units Per Bargaining Unit Member</u>	<u>Rank</u>
Allen Park	12,135	30	405	13
Dearborn Heights	23,499	48	490	8
East Detroit	13,499	21	641	2
Ferndale	10,175	31	328	17
Garden City	11,329	23	493	7
Hazel Park	7,710	18	428	11
INKSTER	12,251	18	680	1
Lincoln Park	16,854	32	527	5
Madison Heights	13,025	31	420	12
Melvindale	4,756	14	340	16
Plymouth	4,099	7	586	3
River Rouge	5,045	18	280	18
Southgate	11,327	24	472	9
Trenton	7,945	33	241	19
Wayne	7,280	18	404	14
Westland	29,963	54	555	4
Wyandotte	13,287	37	359	15
Ypsilanti	9,107	21	434	10
Ypsilanti Twp.	17,259	34	508	6

Table 3

Comparison Fire/Rescue Runs
Nineteen Comparable Municipalities
for 1987

Municipality	Number of Unit Members	Fire Runs		Fire Runs		Rescue Runs		Rescue Runs		Runs Per Unit Member
		Total Fire Runs	Per Unit Member	Total Rescue Runs	Per Unit Member	Total Rescue Runs	Per Unit Member	Total Runs	Runs Per Unit Member	
Allen Park	30	393	(13)	1,014	(34)	1,407	(47)	1,407	(47)	
Dearborn Heights	48	638	(13)	2,368	(49)	3,006	(63)	3,006	(63)	
East Detroit	21	549	(26)	1,410	(67)	1,959	(93)	1,959	(93)	
Ferndale	31	750	(24)	1,208	(39)	1,958	(63)	1,958	(63)	
Garden City	23	484	(21)	1,156	(50)	1,640	(71)	1,640	(71)	
Hazel Park	18	570	(32)	1,106	(61)	1,676	(93)	1,676	(93)	
INKSTER	18	725	(40)	2,131	(12)	2,856	(159)	2,856	(159)	
Lincoln Park	32	733	(23)	1,752	(55)	2,525	(79)	2,525	(79)	
Madison Heights	31	730	(24)	1,476	(48)	2,206	(71)	2,206	(71)	
Melvindale	14	200	(14)	650	(46)	850	(61)	850	(61)	
Plymouth	7	215	(30)	446	(64)	661	(94)	661	(94)	
River Rouge	18	346	(19)	1,065	(59)	1,411	(78)	1,411	(78)	
Southgate	24	399	(17)	1,030	(43)	1,429	(60)	1,429	(60)	
Trenton	33	270	(8)	795	(24)	1,065	(32)	1,065	(32)	
Wayne	18	432	(24)	1,138	(63)	1,570	(87)	1,570	(87)	
Westland	54	1,051	(19)	3,236	(60)	4,287	(79)	4,287	(79)	
Wyandotte	37	485	(13)	1,535	(42)	2,020	(55)	2,020	(55)	
Ypsilanti	21	NA								
Ypsilanti Twp.	34	706	(21)	1,449	(43)	2,155	(63)	2,155	(63)	

Table 4

Comparison
Number of Bargaining Unit Members Per Square Mile
Nineteen Comparable Municipalities

<u>Municipality</u>	<u>Square Miles</u>	<u>Bargaining Unit Members</u>	<u>Number Bargaining Unit Member Per Sq. Mile</u>	<u>Rank</u>
Allen Park	7.4	30	4.05	11
Dearborn Heights	12.0	48	4.00	12
East Detroit	5.1	21	4.12	10
Ferndale	3.9	31	7.95	1
Garden City	6.4	23	3.59	13
Hazel Park	2.8	18	6.43	4
INKSTER	6.3	18	2.85	17
Lincoln Park	6.0	32	5.33	5
Madison Heights	7.1	31	4.37	9
Melvindale	2.7	14	5.19	6
Plymouth	2.3	7	3.04	15
River Rouge	2.7	18	6.67	3
Southgate	7.2	24	3.33	14
Trenton	7.4	33	4.46	8
Wayne	6.0	18	3.00	16
Westland	20.4	54	2.65	18
Wyandotte	5.2	37	7.12	2
Ypsilanti	4.1	21	5.12	7
Ypsilanti Twp.	31.58	34	1.08	19

Table 5

Comparison
Number of Bargaining Unit Members Per Capita
Nineteen Comparable Municipalities

<u>Municipality</u>	<u>1984 Population</u>	<u>Bargaining Unit Members</u>	<u>Bargaining Unit Member Per Capita</u>
Allen Park	31,619	30	1,053
Dearborn Heights	63,081	48	1,314
East Detroit	35,824	21	1,705
Ferndale	25,195	31	812
Garden City	33,255	23	1,445
Hazel Park	20,294	18	1,127
INKSTER	33,040	18	1,835
Lincoln Park	43,201	32	1,350
Madison Heights	34,358	31	1,108
Melvindale	11,661	14	832
Plymouth	10,131	7	1,447
River Rouge	11,970	18	665
Southgate	30,742	24	1,280
Trenton	21,263	33	644
Wayne	21,138	18	1,174
Westland	81,143	54	1,502
Wyandotte	31,888	37	861
Ypsilanti	23,305	21	1,109
Ypsilanti Township	44,622	34	1,312

Table 6

Communities Participating in Mutual Aid Pacts
with the City of Inkster

Ypsilanti	Wayne *
Romulus	Van Buren Township
Redford Township	Livonia
Plymouth Township	Superior Township
Garden City *	Canton Township
Dearborn Heights *	Taylor
Westland *	Plymouth
Dearborn	Northville
Southfield	Metro Airport

* Communities Called Upon Most Often

UNION ISSUES

WAGES

This is a Union issue and is classified as economic.

Expired Contract Language

The last contract of the parties expired on June 30, 1986. By specific language in the collective bargaining agreement its provisions have continued. The expired contract includes the following:

XXXII. JOB CLASSIFICATION AND PAY PLAN

(a) Employees covered by this contract are assigned to classification titles and pay grades.

1. Job Classifications: The existing classification titles are as follows:

- (A) Fire Fighter
- (B) Engineer
- (C) Lieutenant

2. Pay Grades: The annual grades for the classification titles set forth above and for the duration of this Agreement are as follows:

EFFECTIVE JULY 1, 1983

	<u>Step 1</u> <u>Start</u>	<u>Step 2</u> <u>Six Months</u>	<u>Step 3</u> <u>One Year</u>	<u>Step 4</u> <u>Two Years</u>
(A) Fire Fighters	\$20,930	\$21,550	\$24,555	\$25,086
(B) Engineers	21,623	22,269	25,393	25,944
(C) Lieutenants				28,735

EFFECTIVE JULY 1, 1984

	<u>Step 1</u> <u>Start</u>	<u>Step 2</u> <u>Six Months</u>	<u>Step 3</u> <u>One Year</u>	<u>Step 4</u> <u>Two Years</u>
(A) Fire Fighters	\$21,349	\$21,981	\$25,046	\$25,588
(B) Engineers	22,055	22,714	25,901	26,453
(C) Lieutenants				29,310

EFFECTIVE JULY 1, 1985

	<u>Step 1</u> <u>Start</u>	<u>Step 2</u> <u>Six Months</u>	<u>Step 3</u> <u>One Year</u>	<u>Step 4</u> <u>Two Years</u>
(A) Fire Fighters	\$21,776	\$22,421	\$25,547	\$26,100
(B) Engineers	22,496	23,168	26,419	26,992
(C) Lieutenants				29,896

Union's Last Best Offer

The Union has made a last best offer for each of the three years of the contract.

The Union's last best offer is an across-the-board wage increase for all job classifications in Article XXXII (2) of six (6%) percent effective July 1, 1986..

The Union's last best offer is an across-the-board wage increase for all job classifications in Article XXXII (2) of two (2%) percent effective July 1, 1987.

The Union's last best offer is an across-the-board wage increase for all job classifications in Article XXXII (2) of six (6%) percent effective July 1, 1988.

The Union's offered increases in base wages are shown below:

EFFECTIVE JULY 1, 1986

	<u>Step 1 Start</u>	<u>Step 2 Six Months</u>	<u>Step 3 One Year</u>	<u>Step 4 Two Years</u>
(A) Fire Fighters	\$23,082	\$23,766	\$27,080	\$27,666
(B) Engineers	23,845	24,558	28,004	28,612
(C) Lieutenants				31,690

EFFECTIVE JULY 1, 1987

	<u>Step 1 Start</u>	<u>Step 2 Six Months</u>	<u>Step 3 One Year</u>	<u>Step 4 Two Years</u>
(A) Fire Fighters	\$23,544	\$24,241	\$27,622	\$28,219
(B) Engineers	24,322	25,049	28,564	29,184
(C) Lieutenants				32,324

EFFECTIVE JULY 1, 1988

	<u>Step 1 Start</u>	<u>Step 2 Six Months</u>	<u>Step 3 One Year</u>	<u>Step 4 Two Years</u>
(A) Fire Fighters	\$24,957	\$25,695	\$29,279	\$29,912
(B) Engineers	25,781	26,552	30,278	30,935
(C) Lieutenants				34,263

The following tables show the total compensations that fire fighters, engineers, and lieutenants would earn under the Union's offer.

Table 1

Total Compensation Fire Fighters Would
Earn Under Union's Last Best Offer

<u>Compensation</u>	<u>Actual 1985-86</u>	<u>Union's Offer 1986-87</u>	<u>Union's Offer 1987-88</u>	<u>Union's Offer 1988-89</u>
Base Wage	\$ 26,100	\$ 27,666	\$ 28,219	\$ 29,912
Longevity	240	240	240	240
Holiday Pay	1,515	1,605	1,637	1,736
Uniform	375	375	375	375
Food	550	550	550	550
Total Compensation	\$ 28,780	\$ 30,436*	\$ 31,021**	\$ 32,813***

* Increase over previous year, 5.75%

** Increase over previous year, 1.92%

*** Increase over previous year, 5.78%

Table 2

Total Compensation Engineers Would
Earn Under Union's Last Best Offer

<u>Compensation</u>	<u>Actual 1985-86</u>	<u>Union Offer 1986-87</u>	<u>Union Offer 1987-88</u>	<u>Union Offer 1988-89</u>
Base Wage	\$ 26,992	\$ 28,612	\$ 29,184	\$ 30,935
Longevity	240	240	240	240
Holiday Pay	1,566	1,660	1,693	1,795
Uniform	375	375	375	375
Food	550	550	550	550
Total Compensation	\$ 29,723	\$ 31,437*	\$ 32,042**	\$ 33,895***

* Increase over previous year, 5.77%

** Increase over previous year, 1.92%

*** Increase over previous year, 5.78%

Table 3

Total Compensation Lieutenants Would
Earn Under Union's Last Best Offer

<u>Compensation</u>	<u>Actual 1985-86</u>	<u>Union's Offer 1986-87</u>	<u>Union's Offer 1987-88</u>	<u>Union's Offer 1988-89</u>
Base Wage	\$ 29,896	\$ 31,690	\$ 32,324	\$ 34,263
Longevity	240	240	240	240
Holiday Pay	1,733	1,837	1,874	1,986
Uniform	375	375	375	375
Food	550	550	550	550
Total Compensation	\$ 32,794	\$ 34,692*	\$ 35,363**	\$ 37,414***

* Increase over previous year, 5.79%

** Increase over previous year, 1.93%

*** Increase over previous year, 5.8%

On the following page the wage offers of both the Union and the City are compared with wages being paid to fire fighters in other municipalities. On July 1, 1985, Inkster fire fighters' base wage was \$26,100, along with Lincoln Park, was 94% of the median. The Union's offer would be 96% of the July 1, 1986 median, 94% of the July 1, 1987 median, and 98% of the July 1, 1988 median.

The City's offer for July 1, 1986 is 98% of the median, its July 1, 1987 offer is 94% of the median, and its July 1, 1988 offer is 98% of the median. Based solely on wage offers, the City's will provide more in base wage earnings for a fire fighter over the three years of the contract than would the Union's last best offer. However, the City has proposed to reduce other compensation items as discussed under their last best offer.

The Union proposes to retain the pay step schedule of the expired collective bargaining agreement. Under the Union's last best offer, a 1985-86 new hire would reach the top of the pay schedule for a fire fighter commencing with his third year of employment. Under the City's last best offer, a 1985-86 new hire would reach the top of the pay schedule for a fire fighter commencing with his sixth year of employment.

Table 4

Comparison of Wages Paid Fire Fighters
in Eighteen Municipalities
July 1, 1985 through July 1, 1988

<u>Municipality</u>	<u>Base Wage</u> <u>Effective</u> <u>7/1/85</u>	<u>Base Wage</u> <u>Effective</u> <u>7/1/86</u>	<u>%</u> <u>Inc.</u>	<u>Base Wage</u> <u>Effective</u> <u>7/1/87</u>	<u>%</u> <u>Inc.</u>	<u>Base Wage</u> <u>Effective</u> <u>7/1/88</u>	<u>%</u> <u>Inc.</u>
Allen Park	\$ 28,902	\$ 30,000	3.8%				
Dearborn Hgts.		28,226		\$ 29,335	4%	29,942	2.0%
East Detroit		26,038		27,340	5%	28,434	4.0%
Ferndale		29,205		30,665	5%	32,198	5.0%
Garden City		29,441		30,324	3%	31,082	2.5%
Hazel Park				31,250		32,188	3.0%
Lincoln Park	26,100						
Madison Hgts.		30,178		31,385	4%		
Melvindale	26,374	27,435	4%	28,538	4%		
Plymouth		28,629		29,774	4%	30,667	3%
River Rouge	27,746	28,579	3.0%				
Southgate		30,083		31,388	4.5%	33,164	5.7%
Trenton		28,887		29,899	3.5%	31,095	4%
Wayne	28,200	29,188	3.5%	30,209	3.5%		
Westland	29,617	30,950	4.5%	32,343	4.5%	32,343	0%
Wyandotte	26,732	27,261	2%	28,210	3.5%	29,338	4%
Ypsilanti		28,768		29,632	3.0%		
Ypsilanti Tp.		27,050		27,923	3.2%	28,797	3%
MEDIAN	27,746	28,828	3.8%	29,899	3.7%	30,667	2.6%
INKSTER UNION OFFER		27,666	6%	28,219	2%	29,912	6%
INKSTER CITY OFFER		28,200	8%	28,200	0%	30,200	7%

Employer's Last Best Offer

	<u>START</u>	<u>1 YEAR</u>	<u>2 YEAR</u>	<u>3 YEARS</u>	<u>4 YEARS</u>	<u>5 YEARS</u>
EFFECTIVE 7/1/86						
Firefighter	\$ 21,776	\$ 25,547	\$ 26,100	\$ 26,900	\$ 27,550	\$ 28,200
Engineer	22,496	26,419	26,992	27,820	28,492	29,164
Lieutenant						32,303
				+3.07%	+5.56%	+8.05%
EFFECTIVE 7/1/87						
Firefighter	\$ 21,766	\$ 25,547	\$ 26,100	\$ 26,900	\$ 27,550	\$ 28,200
Engineer	22,496	26,419	26,992	27,820	28,492	29,164
Lieutenant						32,303
				0%	0%	0%
EFFECTIVE 7/1/88						
Firefighter	\$ 21,766	\$ 25,547	\$ 26,100	\$ 28,400	\$ 29,300	\$ 30,200
Engineer	\$ 22,496	26,419	26,992	29,371	30,302	31,233
Lieutenant						34,594
				+5.58%	+6.35%	+7.09%

The City's wage offer includes a change in the length of time a newly employed fire fighter is required to serve before reaching top pay. Under the expired contract, a new hire would need to be employed for a period of two years before achieving the highest annual salary. Under the City's offer, that two-year period would be extended to five years.

Internal Comparisons

It is the City's position that the wages paid to Inkster Police Officers should be the standard for determining the wages to be paid to the Inkster Fire Fighters. The City has presented the following data to support its contention that the history of collective negotiations and Act 312 Arbitration awards in Inkster have produced evidence of a consistent pattern of wages for the Inkster patrol officers and fire fighters. These data are shown below:

Table 5

City of Inkster
Maximum Base Wage Comparison
Police Patrol and Fire Fighter
1971-72 through 1985-86

<u>Year</u>	<u>Police Patrol</u>	<u>Fire Fighters</u>	<u>Difference More (Less)</u>
1971/72	\$ 11,700	\$ 11,557	\$ 143
1972/73	12,761	12,713	48
1973/74	13,700	13,637	63
1974/75	14,800	14,728	72
1975/76	15,980	15,906	74
1976/77	17,500	17,258	242
1977/78	18,500	18,608	(108)
1978/79	20,147	20,058	89
1979/80	21,557	21,573	(16)
1980/81	23,066	21,573	1,493
1981/82	23,527	23,083	444
1982/83	23,988	23,891	107
1983/84	25,188	25,086	102
1984/85	25,692	25,588	104
1985/86	26,206	26,100	106

On average the police patrol officers have earned \$198 more each year than fire fighters. In the period from 1971-72 through 1985-86, police patrol base wages increased 224% and fire fighters 226%.

Shown in the Table below are the basic compensation items paid to a police patrol officer in each of four contract years.

Table 6

Total Compensation Paid Inkster Police Patrol Officers
Four Years -- 1985-86 through 1988-89.

<u>Compensation Category</u>	<u>Effective 7/1/ 1985</u>	<u>Effective 5/1/86</u>	<u>Effective 7/1/87</u>	<u>Effective 7/1/88</u>
Base Wage	\$ 26,206	\$ 28,300	\$ 28,300	\$ 30,300
Longevity	270 **	-	-	-
Holiday Pay	1,305	1,409	1,409	1,509
Performance Allowance	-	550 *	550*	550*
Uniform Allowance	550 **	-	-	-
Gun Allowance	375 **	-	-	-
Total Compensation	\$ 28,706	\$ 30,259	\$ 30,259	\$ 32,359
Total Compensation				

* Replaced longevity, uniform and gun allowance

** Discontinued after the July 1, 1985 - May 1, 1986 contract year.

The data in the above Table indicate that "base wages" for Police Patrol that became effective on 5/1/86 constituted an increase of slightly more than 8% over the previous year. However, it should be noted that on 5/1/86, Longevity, Gun, and Uniform Allowances amounting to a total of \$1,195 were discontinued and replaced by a \$550 performance allowance. These changes amounted to a deduction of \$645. Thus, a more correct evaluation is to use total compensation that increased by 5.41% on 5/1/86.

Police patrol base wages and total compensation on 7/1/87 were identical to that of 5/1/86. On 7/1/88 the police patrol wage base was increased by 7.067%. Total compensation was increased from \$30,259 to \$32,359, an increase of 6.94%.

For the three-year period of 1985-86 through 1988-89, the police patrol unit received an increase in total compensation of \$6,759.

In the Table below wages of a fire fighter for the final year of the expired contract are compared with that of a police patrol officer for the same year.

Table 7

<u>Compensation Category</u>	<u>Police Patrol Effective 7/1/85</u>	<u>Fire Fighter Effective 7/1/85</u>
Base Wage	\$ 26,206	\$ 26,100
Longevity	270	240
Holiday Pay	1,305	1,515
Performance Allowance	-	-
Uniform Allowance	550	375
Gun Allowance	375	-
Food Allowance	-	550
Total Compensation	\$ 28,706	\$ 28,780

For the period from July 1, 1985 through May 1, 1986, the total compensation of police patrolmen and fire fighters were nearly the same.

In the following three Tables the total compensations are shown that fire fighters, engineers, and lieutenants would earn under the City's offer.

Table 8

Total Compensation Fire Fighters Would Earn Under City's Last Best Offer

<u>Compensation</u>	<u>Actual 1985-86</u>	<u>City Offer 1986-87</u>	<u>City Offer 1987-88</u>	<u>City Offer 1988-89</u>
Base Wage	\$ 26,100	\$ 28,200	\$ 28,200	\$ 30,200
Longevity	240	-	-	-
Holiday Pay	1,515	1,637	1,637	1,753
Uniform	375	-	-	-
Food	550	-	-	-
Performance Allowance	-	550	550	550
Total Compensation	\$ 28,780	\$ 30,387*	\$ 30,387**	\$ 32,503***

* Increase over previous year, 5.58%

** Increase over previous year, 0%

*** Increase over previous year, 6.96%

Table 9

Total Compensation Engineers Would
Earn Under City's Last Best Offer

<u>Compensation</u>	<u>Actual 1985-86</u>	<u>City Offer 1986-87</u>	<u>City Offer 1987-88</u>	<u>City Offer 1988-89</u>
Base Wage	\$ 26,992	\$ 29,164	\$ 29,164	\$ 31,233
Longevity	240	-	-	-
Holiday Pay	1,566	1,692	1,692	1,813
Uniform	375	-	-	-
Food	550	-	-	-
Performance Allowance	-	550	550	550
Total Compensation	\$ 29,723	\$ 31,406*	\$ 31,406**	\$ 33,596***

* Increase over previous year, 5.66%

** Increase over previous year, 0%

*** Increase over previous year, 6.97%

In order to make a comparison of Lieutenants in the Fire Department with Inkster Police Officers, the following base wages for Police Detectives, Sergeants, and Lieutenants are shown below:

Detectives

Effective 7/1/85	\$ 27,778	
Effective 7/1/86	29,998	8.0% increase over previous year
Effective 7/1/87	29,998	0% increase over previous year
Effective 7/1/88	32,118	7.4% increase over previous year

Sergeants

Effective 7/1/85	\$ 29,852	
Effective 7/1/86	31,675	6.11% increase over previous year
Effective 7/1/87	31,675	0% increase over previous year
Effective 7/1/88	33,875	6.5% increase over previous year

Lieutenants

Effective 7/1/85	\$ 31,985	
Effective 7/1/86	33,825	5.75% increase over previous year
Effective 7/1/87	33,825	0% increase over previous year
Effective 7/1/88	36,175	6.95% increase over previous year

Table 10

Total Compensation Lieutenants Would
Earn Under City's Last Best Offer

<u>Compensation</u>	<u>Actual 1985-86</u>	<u>City Offer 1986-87</u>	<u>City Offer 1987-88</u>	<u>City Offer 1988-89</u>
Base Wage	\$ 29,896	\$ 32,303	\$ 32,303	\$ 34,594
Longevity	240	-	-	-
Holiday Pay	1,733	1,875	1,875	2,008
Uniform	375	-	-	-
Food	550	-	-	-
Performance Allowance	-	550	550	550
Total Compensation	\$ 32,794	\$ 34,728*	\$ 34,728**	\$ 37,152***

* Increase over previous year, 5.9%

** Increase over previous year, 0%

*** Increase over previous year, 6.98%

Total Compensation Comparisons

The City's last best offer maintains the wage relationship between the Police and Fire personnel throughout the three years of the collective bargaining agreement.

The base wage raises offered to fire fighters by the City will provide \$8,300 in new money for each man. However, the City's offer for Uniform, Food, and Longevity allowances is to discontinue all of these grants and substitute an Equipment Allowance amounting to \$550. Consequently, the new money provided to the fire fighter under the City's plan will be \$6,937. This compares to \$6,759 for Police Patrol for the same three-year period.

The Union's offer would provide a total of \$7,930 in new money over the three years of the contract. For the fire fighters, the Union's offer exceeds that of the City by \$993, and \$178 more than the Police Patrol will receive for the same three year period for the three-year period.

The City's Offer and Change in the Pay Schedule

Under the City's last best offer, 1985-86 base wages for new hires would be continued at \$21,766 for each of the three new contract years. Because the \$925 allocated under the expired contract for uniform (\$375) and food (\$550) are to be replaced under the City's wage offer by an equipment allowance of \$550, total compensation for new hires would be reduced from \$23,953 to \$23,688. Table 11 below shows the schedule of pay for fire fighters for the first six years under the expired collective bargaining agreement pay schedule for 1985-86.

Table 11

1985-86 Pay Schedule for Inkster Fire Fighters During
First Six Years of Employment

<u>Compensation</u>	<u>Hire</u>	<u>After 1 Year</u>	<u>After 2 Years</u>	<u>After 3 Years</u>	<u>After 4 Years</u>	<u>After 5 Years</u>
Base Wages	\$21,766	\$25,547	\$26,100	\$26,100	\$26,100	\$26,100
Longevity	-	-	-	75	95	115
Holiday Pay	1,262	1,482	1,515	1,515	1,515	1,515
Uniform	375	375	375	375	375	375
Food	550	550	550	550	550	550
Total	\$23,953	\$27,954	\$28,540	\$28,615	\$28,635	\$28,655

To show how the Union and City last best offers compare for new hires and fire fighters through the first six years of employment, the following two tables Nos. 12 and 13 have been prepared.

Table 12

Union's
Last Best Offer 1986-87 Pay Schedule and Total Compensation
for Inkster Fire Fighters During First Six Years of Employment

<u>Compensation</u>	<u>Hire</u>	<u>After 1 Year</u>	<u>After 2 Years</u>	<u>After 3 Years</u>	<u>After 4 Years</u>	<u>After 5 Years</u>
Base Wages	\$23,082	\$27,082	\$27,666	\$27,666	\$27,666	\$27,666
Longevity	-	-	-	75	95	115
Holiday Pay	1,338	1,570	1,603	1,603	1,603	1,603
Uniform	375	375	375	375	375	375
Food	550	550	550	550	550	550
Total	\$25,345	\$29,577	\$30,194	\$30,269	\$30,289	\$30,309

Table 13

City's
Last Best Offer 1986-87 Pay Schedule and Total Compensation
for Inkster Fire Fighters During First Six Years of Employment

<u>Compensation</u>	<u>Hire</u>	<u>After 1 Year</u>	<u>After 2 Years</u>	<u>After 3 Years</u>	<u>After 4 Years</u>	<u>After 5 Years</u>
Base Wages	\$21,766	\$25,547	\$26,100	\$26,900	\$27,550	\$28,200
Longevity	-	-	-	-	-	-
Holiday Pay	1,262	1,482	1,515	1,560	1,595	1,637
Uniform	-	-	-	-	-	-
Food	-	-	-	-	-	-
Performance Alw.	550	550	550	550	550	550
Total	\$23,578	\$27,579	\$28,165	\$29,010	\$29,695	\$30,385

Table 14 below shows the comparisons between the total compensation for fire fighters during their first six years of employment under the 1984-85 pay provisions and the compensation they would earn under the Union's and City's offers for 1986-87.

Table 14

Comparisons of Total Compensation for 1985-86 and
Last Best Offers

<u>Pay Steps</u>	<u>1985-86 Compensation</u>	<u>Union's 1986-87 Offer</u>	<u>Step % Increase (Decrease)</u>	<u>City's 1986-87 Offer</u>	<u>Step % Increase (Decrease)</u>
New Hires	\$23,953	\$25,345	5.81%	\$23,578	(1.57%)
After 1 year	27,954	29,577	5.81%	27,579	(1.34%)
After 2 years	28,540	30,194	5.80%	28,165	(1.31%)
After 3 years	28,615	30,269	5.78%	29,010	1.38%
After 4 years	28,635	30,289	5.78%	29,695	3.70%
After 5 years	28,655	30,309	5.77%	30,387	6.04%

Positions of the Parties on Wages

Union's Position on Wages

The Union asserts that its wage offer more nearly complies with the Act 312 factors. On July, 1986, the average base wage among the selected comparables was \$1,200 higher than the Union's 1986-87 base wage offer. The comparables support an even higher salary than the 6% proposed by the Union.

The City's proposed 1986-87 increase of 0% for fire fighters and engineers having less than three years' service is not supported by the comparables or the police unit. Additionally, awarding different wage increases to different persons in the fire unit is wrong. It makes no sense to give the already higher-paid employees a substantially larger increase than lower-paid employees. The Union's proposal for identical percentage increases for all more nearly complies with the Act 312 applicable factors.

The Union's base wage offer of a second year across-the-board increase of 2% again complies with the applicable factors. Average wages paid in 1987-88 among the comparables was \$29,810, or \$1,600 more than Inkster's fire fighters would receive under the Union's offer. The Union's offer contrasts sharply with the City's 0% increase, and a change in the pay schedule. The City failed to present any evidence to support this aspect of its proposal.

The total compensation of a fully paid police officer exceeds that of a fully paid fire fighter by 5%, as of June 30, 1986. Fire fighters should not be expected to accept the same wage concessions made by the patrol unit.

In the third year (for 1988-89), the Union base wage offer would put the top-paid fire fighter at \$29,912. The City offers 0% increase for fire fighters and engineers having less than three years; 5.58% for those having three years; 6.35% for those have four years; and, 7.09% for five-year fire fighters, engineers, and lieutenants.

The 1988-89 average base wage paid in the eleven comparable municipalities was \$30,841. This is nearly \$1,000 more than Inkster fire fighters would receive under the Union's offer.

The Union's offer for the third year of 6% is below that received by the police and command units.

The Union's wage offer for each of three years -- 1986-87, 1987-88, and 1988-89 should be adopted by the Panel.

City's Position on Wages

For several reasons, the City's last best offer on wages should be adopted by the panel.

During the period 1967-68 through 1985-86, increases in total compensation of Inkster fire fighters has exceeded that of other City employee groups. This is shown in City Exhibit No. 11.

CITY OF INKSTER HISTORY OF EMPLOYEE COMPENSATION 1967-68 TO 1985-86

	<u>1967-68 Compensation</u>	<u>1985-86 Compensation</u>	<u>% of Increase</u>
Fire Fighter	\$ 8,337	\$29,027	248%
Patrolman	8,553	28,785	237%
Clerical-AFSCME	5,785	17,734	207%
City Treasurer	11,557	37,740	227%
City Clerk	9,035	30,612	239%

The City argues that the fire fighter unit compares most favorable with the police patrol unit. Historically, wages paid each unit have been comparable. The wages of a fully paid fire fighter effective July, 1, 1985 were \$26,100, and \$26,206 for a fully paid police officer. Under the City's offer, base wages for a fully paid fire fighter commencing July 1, 1986 would be \$28,200, only \$100 less than that for a fully paid police officer. For 1987-88, police receive no pay increase and the City proposes no increase for the fire fighters. For 1988-89, the City proposed fire fighter base wage would be \$30,200, again \$100 less than that of a fully paid police officer.

For several reasons, the City's wage proposal for fire fighters actually exceeds that received by the police officers unit. First, it takes police officers ten (10) years to reach full pay and only five (5) years for fire fighters. Second, when compared on a weighted average, police will receive an increase of 3.61% for 1986-87, zero increase for 1987-88, and 6.51% for 1988-89. Fire fighters will receive 3.83%, 0%, and 7.67% respectively.

The City requests that its wage offer be adopted by the Panel.

Cost of Living

The parties' collective bargaining agreement expired June 30, 1986. The last increase in wages occurred on July 1, 1985. Therefore, the cost of living increases that impact collective negotiations in this matter since the last contract expired include the three-year period, July, 1985 through July, 1988.

It is the Union's position, however, that Cost of Living increases have substantially exceeded the base wage increases of Inkster Fire Fighters over the past ten-year period. In their Ex. No. 47, the Union presented the following data.

Table 11

Comparison of Actual Inkster Fire Fighter Wage Increases,
With Increases in the Consumer Price Index
July 1, 1977 through July 1, 1988

<u>Effective Date for Wage</u>	<u>Wage</u>	<u>% Annual Wage Increase</u>	<u>CPI-W</u>	<u>% CPI-W Increase (Decrease)</u>
7/1/1977	\$18,608	-	182.5	-
7/1/1978	20,058	7.8%	194.7	6.7%
7/1/1979	21,573	7.5	219.8	12.9
7/1/1980	21,573	0	252.1	14.7
7/1/1981	23,083	7.0	278.9	10.7
7/1/1982	23,891	3.5	289.3	3.7
7/1/1983	25,086	5.0	303.8	5.0
7/1/1984	25,588	2.0	298.3	(1.8)
7/1/1985	26,100	2.0	308.3	3.4
7/1/1986	-		307.5	(0.3)
7/1/1987	-		321.2	4.4
7/1/1988	-		334.7	4.2

Union's Last Best Offer for Wage Increases Most Acceptable

The Panel has determined that the Union's last best offer for base wage increases is the most acceptable for the following reasons.

1. It is within the City's ability to pay. The Panel recognizes that the financial ability of the City to pay is limited. However, since the pay increases will be retroactive, the City has a General Fund Equity balance with which to pay the Union's wage offer.
2. Both of the wage offers of the parties exceed the cost of living.
3. The City's rationale for lengthening the period of time a police patrolman has to reach full pay is not appropriate for fire fighters. City witnesses testified that the purpose of the change in the pay schedule for newly employed police patrol was to encourage retention of more senior officers. Thus, money was shifted in the schedule from the newly paid officers and awarded to senior officers. This condition does not exist for fire fighters. Witnesses testified that fire fighters tend to remain with the City until retirement.
4. The City's wage schedule that lengthens the period of time that a new hire has to reach full pay will negatively affect five currently employed fire fighters. These five fire fighters would earn more money under the expired wage schedule for 1985-86, than under the City's wage offers for 1986-87, 1987-88, and 1988-89. The Panel cannot adopt a wage proposal that has such a detrimental impact on more than 25% of the fire fighters.
5. The wage offer of the Union maintains its historical position relative to external comparables.

For all the foregoing reasons, the Panel adopts the Union's last best offer for wages.

AWARD

The Panel adopts the Union's last offer on wages.

The Panel awards an across-the-board wage increase for all job classifications in Article XXXII (2) of six (6%) percent effective July 1, 1986.

The Panel awards an across-the-board wage increase for all job classifications in Article XXXII (2) of two (2%) percent effective July 1, 1987.

The Panel awards an across-the-board wage increase for all job classifications in Article XXXII (2) of six (6%) percent effective July 1, 1988.

The Panel's awarded increases in base wages are shown below:

EFFECTIVE JULY 1, 1986

	<u>Step 1</u> <u>Start</u>	<u>Step 2</u> <u>Six Months</u>	<u>Step 3</u> <u>One Year</u>	<u>Step 4</u> <u>Two Years</u>
(A) Fire Fighters	\$23,082	\$23,766	\$27,080	\$27,666
(B) Engineers	23,845	24,558	28,004	28,612
(C) Lieutenants				31,690

EFFECTIVE JULY 1, 1987

	<u>Step 1</u> <u>Start</u>	<u>Step 2</u> <u>Six Months</u>	<u>Step 3</u> <u>One Year</u>	<u>Step 4</u> <u>Two Years</u>
(A) Fire Fighters	\$23,544	\$24,241	\$27,622	\$28,219
(B) Engineers	24,322	25,049	28,564	29,184
(C) Lieutenants				32,324

EFFECTIVE JULY 1, 1988

	<u>Step 1</u> <u>Start</u>	<u>Step 2</u> <u>Six Months</u>	<u>Step 3</u> <u>One Year</u>	<u>Step 4</u> <u>Two Years</u>
(A) Fire Fighters	\$24,957	\$25,695	\$29,279	\$29,912
(B) Engineers	25,781	26,552	30,278	30,935
(C) Lieutenants				34,263

James C. Leskun
6-16-89
James Leskun
Union Delegate

Kenneth Grinstead
6/16/89
Kenneth Grinstead
Chairman

Grady Holmes
6/16/89 (Resigned)
Grady Holmes
City Delegate

Wage Differential Between Firefighter and Engineer

This is a Union issue and is economic.

The Union has proposed an increase in the differential between that of a firefighter and of an engineer. The difference in the base salary of the two ranks in the final year of the 1985-86 collective bargaining contract was \$892, or 3.4%. (Article XXXII).

Last Best Offers

The Union's last best offer on the engineer differential is to add the following clause to Article XXXII(2):

Effective July 1, 1986, the annual wage rate for the Engineer classification shall be five (5%) percent higher than the annual wage rate of a top-paid (Step 4) Fire Fighter.

The last best offer of the City is to retain the engineer wage differential of the expired contract.

Union's Position

The Union argues that the difference in wages between a fire fighter and an engineer: 1) does not adequately reflect the responsibilities of the position, 2) does not compare with the differential paid by other fire departments to firemen who are second in command, and, 3) does not compare with the annual salary differential paid a Inkster police officer and a detective.

The engineer has unique skills and responsibilities, particularly that of providing an adequate water supply at the fire scene. The engineer also serves as second in command when the lieutenant is busy elsewhere or absent.

To acquire the status of engineer one must: 1) have a minimum of three years' seniority, 2) pass a written civil service examination, and 3) pass an oral examination.

The average wage differential between the fire fighter and the second in command rank in the comparable fire departments is 7.9%. In those municipalities which identify their second in command as an engineer, the average differential is about 4.4%.

Because the City is relying heavily on the police patrol unit for comparison purposes, it is noteworthy that the "specialist" pay differential received by Inkster detectives over a police officer is 6%.

The Union has presented ample evidence supporting the need to increase the engineer differential so that it more fairly reflects and compensates for additional skills, duties, and responsibilities of the engineer. Additionally, the comparability evidence strongly supports the Union's proposal.

City's Position

The Union's last best offer for engineer differential pay should have been submitted as part of its last best offer on the issue of wages and not as a separate item. The bifurcation of issues was not contemplated under Act 312.

The engineers' classification and the police detective rank are not comparable. The Union has no idea of the duties of a police detective. Despite this lack of knowledge, the Union is asking the Panel to compare an engineer with that of a police detective. The comparison is not possible because the two positions are not comparable. Just as a police lieutenant's salary is substantially more than a fire lieutenant's salary, the salary differential between a police detective and a fire engineer should remain.

There has always been a differential between a fire fighter and an engineer in the range of 2.5% and 3%.

The City's last best offer on this issue should be granted.

Discussion

The Inkster fire department assigns six firemen for each shift -- one lieutenant, two engineers, and three firefighters. In Inkster, an engineer is second in command at the fire scene. His major responsibility is to drive the fire fighting vehicle to the fire scene, obtain a water supply, and maintain that supply as long as it is needed. This duty requires extensive knowledge about the use and maintenance of pumping equipment. In the event, the lieutenant is not present, the engineer is in charge. When the engineer is with the Emergency Medical Service vehicle, he is in charge.

To receive the designation of engineer, a firefighter must have three years of experience and successfully take and pass an oral and written examination given by the Michigan Municipal League. This requirement is included in Article XXXII (e) that provides:

Engineer - the rank of Engineer shall be open for competitive Civil Service promotional examination to all fire fighters in the City of Inkster with a minimum of three (3) years continuous service as a fire fighter (pipeman) in the City of Inkster, up to and including the date of the written test.

The Union offered two exhibits to substantiate its claim that the differential between firefighter and engineer should be increased.

The purpose of Union Exhibit No. 45 was to show the difference in wages paid a firefighter and a person with the "Rank of Second in Command" among 18 neighboring and comparable cities. Exhibit # 45 was developed by the Association by telephoning the Union President of the fireman organization in each of the eighteen cities and obtaining the salary and position title of the person "second in command." The position titles included lieutenant, sergeant, captain, pump operator, sergeant engineer, driver, and pump operator.

By averaging the percentage differences of the 18 cities, the Association reported the difference in base wages of a firefighter and a person "second in command" to be 7.9%. The Chairman calculated the difference to be 7.48%. The wage differential of only those indicated as either pumper operator, driver, sergeant engineer, or engineer is 4.25%. The difference between the wages of firefighter and the second in command of the three contiguous neighboring cities of Dearborn Heights, Garden City, and Westland is 5.5%.

The Association presented Exhibit # 46 showing that the difference in annual base wages between a police officer and detective in Inkster is 6%. While the Association made no assertion that the positions of police officer and firefighter are similar, or that the positions of detective and engineer are similar, their claim was based on the "specialty" characteristic of the latter two positions. When comparing the firefighter/engineer wage difference of 3.4% with that of police officer/detective of 6%, the Association asserts that the Inkster engineer base salary should be increased.

In Union has actually made two last best offers for engineer differential. In its last best offer on "Wages", the engineer differential is maintained at 3.4%. In a separate last best offer for engineer differential, the wage difference is for 5%. It does not appear possible for the Panel to adopt the Union's last best offer for "Wages" that incorporates a 3.4% differential and at the same time adopt the Union's last best offer for engineer differential of 5%. Adoption of both Union offers creates a contradiction.

There was insufficient evidence to establish any comparisons between the training and responsibilities of an engineer and detective. While each position has special characteristics, they appear to be quite diverse.

The job titles of the second in command positions of the comparables do not adequately describe job responsibilities. While some are titled "engineer", there is not sufficient evidence to show that the differential in Inkster should be raised as high as 5%.

For the foregoing reasons, the City's last best offer for engineer differential is adopted by the panel.

Award

The City's last best offer on the economic issue of engineer differential is adopted by the Panel. The wage differential between the position of fire fighter and engineer of about 3.4% as shown in the expired contract and in the Union's last best offer on "Wages" is awarded.

Grady Holmes
6/16/89
Grady Holmes
City Delegate

Kenneth Grinstead
6/16/89
Kenneth Grinstead
Panel Chairman

James E. Leskun
6-16-89
James Leskun
Union Delegate

Emergency Callback

This is a Union issue and is economic. The language in the expired collective bargaining agreement is:

ARTICLE VIII. HOURS OF WORK

- (e) Firefighting personnel recalled to duty because of emergencies shall be compensated for the actual time worked but not less than two (2) hours. Such compensation shall be in accordance with Article IX. OVERTIME.

Union's Last Best Offer on Emergency Callback

ARTICLE VIII. HOURS OF WORK

- (e) Firefighting personnel recalled to duty because of emergencies shall be compensated for the actual time worked but not less than four (4) hours. Such compensation shall be in accordance with Article IX. OVERTIME.

The amended version in the Union's last best offer would increase the number of minimum hours for which a fire fighter would be paid who is called out for an emergency from two (2) to four (4).

City's Last Best Offer

The City's last best offer for emergency callback is to retain the language in the expired collective bargaining agreement.

Positions of the Parties

Union's Position

The reasons advanced by the Union for requesting an increase from two to four hours guaranteed minimum pay for emergency callback is because of the arduous nature of the emergency callback work. Emergency callback overtime actually involves fire fighting work as compared to regular overtime which is primarily work at the station to fill in for an absent employee.

The current two-hour minimum is meaningless and provides no additional benefit because most emergency episodes exceed two hours. Simple, regular shift overtime pays time and a one-half as does emergency callback.

The comparables support the Union's position.

City's Position

The Inkster police receive overtime pay for emergency callback of a guaranteed two hours pay or actual time worked. This provision is identical to that of the firefighters. The City's position maintains this relations. The contract language should not be changed.

Discussion

The rate of pay in Article IX for working in excess of a 24-hour day, or 54-hour workweek, is time and one-half. While the contract provides that the hourly rate of pay is the same for emergency callback and for overtime, emergency callback is distinguished from "overtime". When a fire fighter is called in for "overtime", he replaces a person on a particular shift. Emergency callback occurs when the lieutenant at the fire scene decides he needs additional manpower and calls for off-duty fire fighters.

Union Ex. No. 71 (reproduced as Table 1 this section) shows that five of the municipalities pay for a minimum of four (4) hours. Ypsilanti pays 2x the hourly rate for three (3) hours minimum. Plymouth pays 1-1/2x for hours from 8:00 a.m. to 10:00 p.m. and 2x for hours from 10:00 p.m. to 8:00 a.m. Nine of the comparables' emergency callback pay is equal to or below that of Inkster. Eight of the comparables' emergency callback pay is more than in Inkster. For Plymouth, it is equal during the daytime period and more during the nighttime period.

The Union's last best offer would exceed the emergency callback pay provisions of the Police Patrol.

It is the opinion of the Panel that the Union has failed to provide sufficient evidence to justify the increase in emergency callback pay.

AWARD

The City's last best offer on the Union issue of emergency callback pay is adopted. The emergency callback in the expired contract is to be retained. That language is:

ARTICLE VIII. HOURS OF WORK

- (e) Firefighting personnel recalled to duty because of emergencies shall be compensated for the actual time worked but not less than two (2) hours. Such compensation shall be in accordance with Article IX.
OVERTIME.

Grady Holmes
6/16/89
Grady Holmes
City Delegate

Bernard Grinstead
6/16/89
Kenneth Grinstead
Chairman

James C. Leskun (VISEUT)
6-16-89
James Leskun
Union Delegate

Table 1
Comparison Emergency Call Back Pay
(Minimum Hours Paid)
Nineteen Comparable Municipalities

<u>Municipality</u>	<u>Rate of Pay</u>	<u>Minimum Hours Paid</u>
Allen Park	2x	.25
Dearborn Heights	1-1/2x	2
East Detroit	*	*
Ferndale	1-1/2x	2
Garden City	1-1/2x	3
Hazel Park	1-1/2x	2
INKSTER	1-1/2x	2
Lincoln Park	1-1/2x	4
Madison Heights	1-1/2x	3
Melvindale	1-1/2x	4
Plymouth	**	2
River Rouge	1-1/2x	2
Southgate	1-1/2x	4
Trenton	1-1/2x	4
Wayne	1-1/2x	2
Westland	1-1/2x	(\$10.00 minimum pay)
Wyandotte	1-1/2x	4
Ypsilanti	2x	3
Ypsilanti Township	1-1/2x	(4 hrs. straight time)

* 7:00 a.m. to 11:00 p.m.: \$17.00 for first 2 hours; \$17 each additional 2 hours or portion thereof. 11:00 p.m. to 7:00 a.m.: \$22.00 first 2 hours or portion thereof.

** 2x from 10:00 p.m. to 8.00 a.m.; 1-1/2x from 8:00 a.m. to 10:00 p.m.

Pension

It is common practice in City government in Michigan to provide pension programs for the uniformed services in the City Charter. These provisions may be altered through the collective bargaining process. The City and the Union have added several provisions by this method. Those sections of the expired collective bargaining agreement that modify or supplement pension provisions of the Inkster City Charter are shown below.

Present Contract Provisions

Article LI. PENSION CHANGES

1. PENSION MULTIPLIER. Effective July 1, 1985, the City of Inkster Policemen and Firemen Retirement System (hereinafter the Retirement System) shall be amended to provide that any Local 1577 I.A.F.F. member eligible for retirement under Section 18.3 of the Retirement System shall, upon his own application, be retired and shall receive a pension equal to his final average compensation multiplied by two percent (.02), multiplied by his number of years and fraction of a year of service to age 55, plus his final average compensation multiplied by one percent (.01), multiplied by his number of years and fraction of a year of service after age 55 to his date of retirement. This improvement shall cover all current employees and all future retirees. Provided, however, that, should a current employee elect to retire prior to July 1, 1985, his pension shall be calculated under the current Retirement System, but shall be recalculated on July 1, 1985, and he shall receive the improved pension effective July 1, 1985.
2. SPOUSE-DEPENDENT COVERAGE. Effective July 1, 1985, the Retirement System shall be amended to provide that, upon a retiree's death, his/her designated spouse or child or children under the age of eighteen (18) as contingent pensioner shall receive a total of sixty percent (60%) of the pension the retiree was receiving at the time of his death. For any individual who becomes eligible for contingent pension benefits under the Retirement system between the date of this agreement and July 1, 1985, the current retirement provisions shall apply, and the pension shall be recalculated on July 1, 1985 pursuant to Paragraph 3 above, and the contingent pensioner shall receive the improved pension benefit effective July 1, 1985. This improvement shall apply to all current employees and all future retirees.

3. EMPLOYEE PENSION CONTRIBUTION. Effective July 1, 1985, all Local 1577, I.A.F.F. members shall be granted a one percent (1%) reduction in their Retirement System contributions, from seven percent (7%) to six percent (6%).

Union's Last Best Offer on Pension

The Union has offered to modify and improve certain provisions of the pension program. These are referred to as Pension Eligibility, Pension Multiplier, Pension Escalator, and Pension Vesting. The proposed changes are described below:

1. Retirement Eligibility.

Add a section to Article LI modifying the age/service eligibility for retirement. At present, an employee must be 55 years of age to be eligible for the pension provisions. The Union's last best offer provides the following:

Effective June 30, 1989, the Retirement System shall be amended to provide that any member who applies for normal retirement on or after June 30, 1989 shall be eligible for normal retirement if he is fifty-two (52) years of age and has a minimum of twenty-five (25) years of service.

2. Pension Multiplier.

The annual pension a retired fire fighter could receive under the provision of the expired contract was:

"...a pension equal to his final average compensation multiplied by two percent (.02), multiplied by his number of years and fraction of a year of service to age 55, plus his final average compensation multiplied by one percent (.01), multiplied by his number of years and fraction of a year of service after age 55 to his date of retirement."

The Union seeks to change this provision, effective June 30, 1989 to:

"...a pension equal to his final average compensation multiplied by 2.15% (.0215), multiplied by his number of years and fraction of a year of service to age 55, plus his final average compensation multiplied by one percent (.01), multiplied by his number of years and fraction of a year of service after age 55 to his date of retirement."

3. Pension Escalator.

Under the present provisions for fire fighters in Inkster, a retiree's pension remains fixed throughout his retirement at the same amount he received at retirement. The Union proposes a new clause be added to the contract providing for an escalation in the pension amount as shown below:

Effective June 30, 1989, and applicable to all persons retiring on or after June 30, 1989, such retirees shall have their retirement benefit increased by two (2%) percent for each of the first ten (10) years following their retirement.

4. Pension Vesting.

Under the expired provisions of the City Charter and the parties' collective bargaining agreement, a fire fighter who quits his employment with the City before reaching the age/service eligibility level is not entitled to receive a pension. Those age/service eligibility requirements are presently age 55 and 25 years of service. The Union proposes to modify this condition by adding a section to the contract that permits a fire fighter to leave the City's employment after ten (10) or more years of service and be eligible for retirement benefits upon reaching retirement age. The language submitted by the Union is:

A member who has 10 or more years of service shall have fully (100%) vested retirement benefits, not subject to forfeiture on account of disciplinary action, charges, or complaints. This provision shall apply to all persons who were in employee status on or after July 1, 1986. This provision to be effective July 1, 1986.

City's Last Best Offer on Pension

The City has proposed a single entity that includes all four pension issues. The City stated that its last best offer for pensions must be considered as a whole and cannot be separated. Their last best offer includes: 1) no change in contractual language applicable to pension multiplier, retirement eligibility, or pension escalator; and 2) one hundred percent (100%) vesting after ten (10) full years of service to become effective July 1, 1989.

Evidence Related to the Four Pension Issues

1. Pension Eligibility.

Shown in Table 1 are the pension eligibility provisions of the nineteen comparable municipalities. Below is a summary of Table 1 that depicts the number of municipalities that have adopted a particular pension eligibility provision.

<u>Number of Municipalities</u>	<u>Pension Eligibility Provision</u>
2	Minimum age 60 or 25 years service
1	Minimum age 55 or 28 years service
2	Minimum age 55 or 25 years service
1	Minimum age 55 and 25 years of service (Inkster)
3	Minimum age 55 /no minimum service requirement
2	Minimum age 52 /no minimum service requirement
5	Minimum age 50 /no minimum service requirement
2	No minimum age requirement but 25 years service
1	No minimum age requirement but 20 years service

These data do not indicate a strong preference among the nineteen municipalities for one particular type of pension eligibility requirement. However, the types occurring most frequently appear to be in the minimum age 50, 52, and 55 age ranges with no minimum service requirement. The tendency is toward either 50 or 52 with no minimum service requirement.

Union witness Monroe, in a letter dated January 24, 1989, estimated that if the retirement age were to be reduced from 55 to 50 years of age, it would require an increase of 1.1% of payroll. He made no estimate of the payroll percentage increase required for a reduction from 55 to 52 years of age.

2. Pension Multiplier.

The pension annuity factors for nineteen comparable municipalities are shown in Table 2 at the end of this section. The percentages of final average compensation provided to fire fighters upon retirement with thirty (30) years of service for each of the nineteen comparable municipalities are shown in Table 3. Shown below is a summary of these multipliers.

<u>Final</u> <u>Multiplier (%)</u>	<u>Frequency</u>
75	1
70	2
67.5	6
65.0	1
64.5	1
62.5	1
60.0	3 (includes Inkster expired contract)
55.0	3
52.5	1

Of the nineteen municipalities offering pension benefits to fire fighters, twelve (12) provide a greater percentage of final average compensation than does Inkster. The Union's last best offer of 2.15% would provide a pension benefit after thirty (30) years of 64.5%. Eleven (11) of the other municipalities would still provide a greater benefit than the Union's final offer on multiplier. Union witness Monroe estimated that an increase in the benefit multiplier from 2% to 2.15% would require an increase of 1.7% of payroll.

3. Pension Escalator.

It is common practice to provide for postretirement adjustments that increase retirement benefits. The purpose of these benefits is to provide some protection against cost of living increases that occur after retirement and erodes purchasing power. At the present time retired Inkster fire fighters receive no such adjustment. The Union's last best offer includes a proposal that "after retirement benefits" be increased annually by 2% for the first ten years following retirement.

Some Michigan municipalities have integrated their fire fighters pension plans with the federal social security program. These fire fighters not only contribute to their pension plans but also to social security. Because the social security system has as escalator provision, fire fighters in these communities have a sort of postretirement adjustment. The Inkster pension system is not integrated with social security.

Of the eighteen municipalities used for comparison, eight have some sort of postretirement pension adjustment. In five of the municipalities, (Allen Park, Dearborn Heights, East Detroit, and Ypsilanti Township) the postretirement adjustment is exclusively the social security escalator. The pension plan has no escalator in any of those four municipalities.

The Garden City fire fighters' pension plan is integrated with the social security program. Retirees additionally receive an annual pension adjustment based upon the percentage increase in the Consumers Price Index but with a two percent (2%) maximum.

In Wayne, retired fire fighters receive an annual two percent (2%) adjustment for the first ten years of retirement.

In Trenton, retirees receive a ten percent (10%) increase at the fifth year after retirement, and again at the tenth year after retirement. At the fifteenth year after retirement, they receive a five percent (5%) increase.

Plymouth fire fighters are included in the Michigan Employees' Retirement System. That system provides a two percent (2%) increase multiplied by the number of complete years since the last adjustment date or the effective date of retirement, whichever is the shorter period. This is a one time increase, but may be readopted by resolution of the governing body of a participating municipality annually.

No evidence was introduced at the Hearing to illustrate the cost (in terms of the increase required in the City's contribution rate) of the Union's pension escalator proposal. By way of illustration, however, if a fire fighter retires on a pension of \$20,000 annually, a two percent (2%) annual increase for the first ten years of retirement would cost an additional \$23,383 over the ten-year period.

4. Vesting.

Shown in Table 4 are the vesting provisions for nineteen comparable municipalities. Fourteen provide vesting after ten (10) years, one after fifteen (15) years, two after 25 years, or age 50 with 10 years, and two, including Inkster, have no vesting.

The Inkster Police Patrol collective bargaining agreement [Article XXXXVIII (4) at p. 38] provides vesting for police patrol as shown below:

4. VESTING. Effective July 1, 1988, all UNION members shall adhere to the following vesting schedule:

- a) Ten (10) years of continuous service, vested at fifty (50%) percent.
- b) Twelve (12) years of continuous service, vested at sixty (60%) percent.
- c) Fourteen (14) years of continuous service, vested at seventy (70%) percent.
- d) Sixteen (16) years of continuous service, vested at eighty (80%) percent.
- e) Eighteen (18) years of continuous service, vested at ninety (90%) percent.
- f) Twenty (20) years of continuous service, vested at one hundred (100%) percent.

The Union's last best offer differs somewhat from the above Police provision in that it would include a condition that a member who has 10 or more years of service shall have fully (100%) vested retirement benefits. (For Police, only fifty percent (50%). Union witness, Charles Monroe testified as to the financial impact of vesting. It was his estimate that vesting would require an increase of 1.5% of payroll. Monroe testified that his estimate may be high because there is very little turnover among firefighters who have been on the job after four or five years. Because there are no costs for a firefighter who terminates before ten (10) years of service, there are no vesting costs. He doubted that many fire fighters would terminate after (10) years of service prior to retirement. The City has proposed vesting after ten (10) years.

Ability to Pay the Union's Proposed Pension Benefit Increases

The funding of increases in pension benefits is derived from two sources -- increases in the contribution rates of the employer and/or the employees, and from past overfunding of the pension plan.

1. Contribution Rates.

At the present time, the City and the fire fighter each contribute six percent (6%) of gross earnings of the fire fighter as shown on his federal income tax form (W-2). These earnings include base wage, overtime, holiday pay, longevity, and EMT pay. The fire fighter's contribution of six percent (6%) is fixed by contract. (Art. LI, Sec. 3). The City's contribution fluctuates according to the findings and recommendations of actuaries. The fluctuation in the contribution rate of the City is caused by the success of the investments of the pension fund and experience within the employee group being funded. The City has contributed as high as twelve percent (12%). The recent history of contributions to the Fire/Police Pension System by the City and fire fighters is shown below:

<u>Year</u>	<u>City Contribution</u>		<u>Employee Contribution</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
1983-84	\$154,888	8.0%	\$138,842	7%
1984-85	159,000	6.5%	149,000	8%
1985-86	183,000	8.3%	132,000	6% *
1986-87	148,000	7.0%	127,000	6%
1987-88	131,000	6.0% **	130,675	6%

* This rate changed as a result of collective bargaining.

** This rate determined through an actuarial valuation performed July 1, 1987. City Contributions are for both police patrol and fire fighters.

Shown in Table 5 at the end of this section, are the contribution rates of the nineteen comparable municipalities. Contribution rates of the municipalities range from a low of 4.28% to a high of 29.83%. (Inkster 6.0%). Employee contribution rates range from a low of 0.00% to 10.0% (Inkster 6.0%). Shown below is a frequency distribution of contribution percentages of municipalities. The City of Inkster, at 6%, is making a percentage contribution in the lower quartile.

<u>Municipality Contribution Percentage Range</u>	<u>Number of Municipalities</u>
26-30%	2
20-25.99%	7
15-19.99%	3
10-14.99%	2
5-9.99%	3
0-4.99%	1
Total	19

2. Overfunding.

One of the responsibilities of the Panel in assessing the City's ability to pay, is to review the status of the Pension Fund to determine whether it has been overfunded or underfunded. If overfunded, perhaps additional benefits can be provided without causing an increase in the Employer's contribution rate. The evidence presented was insufficient to conclude that overfunding exists.

The Panel had the following items available for study and consideration: An actuary report dated July 1, 1986; a copy of the City's audit dated June 30, 1988, that included information about the Pension System; a copy of a letter to the Union of Charles Monroe dated November 7, 1988; the testimony of Charles Monroe; a letter from Charles Monroe dated January, 24, 1989; a copy of a letter from Mr. J. Daniel Petersen to Inkster City Treasurer James Klobuchar; and the testimony of Mr. Klobuchar.

Union witness, Charles Monroe, an associate of the Society of Actuaries, Fellow of the Conference of Actuaries, member of the American Academy of Actuaries, and an Enrolled Actuary, testified that, in his opinion, the Police and Fire Pension System was overfunded by about \$2,000,000. He stated that the funds assets exceeded its liabilities by about 30%. However, in a followup letter to the Union, Monroe stated that he had made an error and the overfunding amounted to only \$100,00.

In a letter to City Treasurer James Klobuchar dated January 24, 1989, Daniel Petersen, who had prepared a previous actuary report for the City, stated that in his opinion, the Police and Fire Pension System was overfunded by \$30,000.

It is the conclusion of the Panel that the System is only minimally overfunded and that any improvement in the benefits will require an increase in the contribution rates. Neither party has proposed, or made a last best offer, regarding changes in the contractual contribution rate of the fire fighters.

3. Cost of Union's Last Best Offers on Pension.

To form some basis for estimating the costs of the Union's four last best offers on pension, it was assumed that the final average compensation of an Inkster fire fighters would be \$40,000. Using Monroe's estimates, it was calculated that the changes in pension eligibility, pension multiplier, and pension vesting as proposed by the Union would require an annual contribution of 4.8% of payroll. Utilizing payroll costs for eighteen (18) fire fighters of \$720,000, the increased annual contribution would be \$34,560 as shown below:

<u>Proposed Pension Change</u>	<u>Estimated Increase in City's Contribution</u>	<u>Annual Cost of Each</u>
Pension Eligibility	1.1%	\$ 7,920
Pension Multiplier	1.7%	12,240
Pension Vesting	2.0%	14,400
Total Cost to City	4.8%	\$ 34,560

The Panel is unable to estimate a contribution rate for the Union's last best offer on the escalator clause.

Union's Position on Pension

The Union has made it very clear in its Position Statement and the at Hearing that the topic of pension was to be treated as four totally independent and separate economic issues. The City never objected. The issues are not co-dependent. Different rationales, evidence, and costs are associated with each. Because the pension proposals are advanced by the Union, deference should be granted to the Union's viewpoint.

The pension fund is in sound financial health and assets have increased substantially since July 1, 1987. The employee contribution rate for Inkster fire fighters of 6% is above the average for comparable municipalities while the City's contribution is well below average.

Union witness Monroe changed his opinion regarding overfunding of the pension fund after he received a copy of the 1987-88 audit. The City introduced no actuarial cost estimates whatsoever for the Union's pension proposals.

The Union's last best offers on pension multiplier, pension eligibility and pension vesting should be awarded because the strong comparability evidence. The Union's pension escalator last best offer should be awarded because of the effect of inflation on pensions. Eight of eighteen of the comparable municipalities have some type of pension escalator, or social security coverage with that program's escalator provision.

City's Position on Pensions

The City argues that the Union should not be permitted to bifurcate the pension issue into four separate issues. Such an approach would allow the Panel to pick and choose among the sub-issues when in fact pension is only one issue. This view is supported by the Union's petition for arbitration which identifies "pension" as a single issue.

The pension escalator matter should not be considered by the Panel as it was identified by the Union in its last best offer as an "non-economic" issue. This is contrary to the position previously taken by the Union.

The only difference between pension benefits for police patrol and the fire fighters is pension vesting. However, the City's last best offer substantially improves the fire fighter's vesting provisions. And that offer exceeds that available to the police.

Testimony revealed that the pension fund is actuarially sound. In July, 1985, employee contributions were reduced by 1% of wages, the pension multiplier improved, and automatic spouse coverage implemented. These improvements required no additional costs to employees.

City Treasurer Klobuchar testified that the Union's pension improvement offers would cost additionally from 8 to 11% of payroll, or \$56,000 to \$77,000 more each year. If police receive the same pension benefit improvements, total costs will be from \$189,000 to \$260,000 per year.

Union witness Monroe's testimony should be disregarded by the Panel. He retracted his initial testimony that the pension fund was overfunded by 2 to 4 million dollars. He admitted no knowledge of Accounting Standards Statement Number Five.

Evidence submitted by the City shows that the pension fund is overfunded by only \$30,000.

The City does not have the ability to pay the Union's pension demands and urges the Panel to adopt the City's last best offer concerning pension vesting.

Discussion

1. Issue -- Pension Eligibility.

To retire under the expired agreement, a fire fighter must be age 55 and have 25 years of service. The Union wishes to reduce the age to 52, retaining the 25 years of service requirement. Data in Table 1 (end of this section on pensions) strongly supports the Union's position. Only three of the comparables have pension eligibility that exceed those in Inkster. The cost of this improvement would be about 1.1% of payroll. It may be slightly less. The improvement would take effect June 30, 1989. It is the City's position that this improvement should be denied because it would be inconsistent with the police pension benefit.

2. Issue -- Pension Multiplier.

The amount of a retired fire fighter's pension is determined by multiplying 2% of final average compensation for each year of service to age 55 and 1% for each year after age 55. A retiree with 30 years service and 55 years of age would receive 60% of his final average compensation. The Union seeks to change the 2% to 2.15. Ten of the comparables shown in Table 2 have a 2.5% multiplier for at least the first 25 years of service. One has 2.25% for the first 30 years. Another 2.5% for any service after 1979. Of the seven municipalities using the 2% multiplier, three also provide social security in addition to pension benefits. The multiplier for the police patrol unit is identical to that of the fire fighters' expired contract.

An Inkster fire fighter with 25 years of service who retires at age 55 would receive 50% of his final average compensation. With 30 years, 60%. Fire fighters in 12 of the comparable municipalities (see Table 3) exceed the current Inkster multiplier for 30 years of service. Even at the benefit level proposed by the Union, ten of the 18 comparables would exceed Inkster. It is the City's position that this improvement should be denied because it would be inconsistent with the police pension benefit.

Cost to the City for this pension benefit improvement would be about 1.7% of payroll.

3. Issue -- Pension Escalator.

Inkster fire fighters retirement benefits are frozen. For example, an employee who retired in the 1970's at \$321.78 per month receives the exact same amount of pension today despite the fact that inflation has eroded purchasing power. The Union seeks to provide a pension escalator of 2% each year for the first 10 years of retirement. No estimates of employer contribution rates were offered in evidence to show the financial impact of this improvement. While several of the comparables provide pension escalator provisions, and several provide social security with its escalator factor, the evidence does not support the Union's position on this issue. It is the City's position that this improvement should be denied because it would be inconsistent with the police pension benefit.

4. Issue -- Pension Vesting.

When an Inkster fire fighter leaves his employment with the Department prior to satisfying the minimum retirement age, he receives only the contributions he has made to the retirement system. He has no entitlement to a pension from the system. The Union seeks a contract provision that would "vest" a fire fighter who has 10 or more years of service. Data in Table 4, and the police patrol unit contract supports the need for improvement in pension vesting.

AWARD

The Panel awards the City's last best offers on pension. That offer is:
IN13

City Position - No change to contractual language regarding pension multiplier, pension normal retirement eligibility and pension escalator.

Regarding pension vesting, the City would add a new provision for full (100%) vesting after ten (10) full years of service. This provision shall take effect on July 1, 1989.

The foregoing City position regarding pension issues are being proposed as a single entity and cannot be separated.

The Panel's award is consistent with the police patrol unit, and is within the capacity of the present pension fund and the ability of the City to pay. Because the police and patrol and fire fighters are in the same pension fund, it is within the interest of the citizens to maintain fairly consistent pension benefits for both units.

James E. Leskun
James Leskun
Union Delegate

Kenneth Grinstead
4/14/89
Kenneth Grinstead
Chairman

Grady Holmes
6/16/89
Grady Holmes
City Delegate

Table 1
Comparison Pension Eligibility Provisions
for Fire Fighters in
Nineteen Municipalities

<u>Municipality</u>	<u>Minimum Age Requirement</u>		<u>Service Only Requirement</u>
Allen Park	52 years		none
Dearborn Heights	55 years		none
East Detroit	52 years		none
Ferndale	50 years	or	none
Garden City	55 years	or	25 and out
Hazel Park	50 years		none
Inkster	55 years		none
Lincoln Park	55 years	or	28 and out
Madison Heights	none		25 and out
Melvindale	55 years (50 eff. 1/1/95)		none
Plymouth	55 years (50 years eff. 6/30.89)		none
River Rouge	55 years	or	25 and out
Southgate	50 years		none
Trenton	none		25 and out
Wayne	50 years		none
Westland	60 years	or	25 and out
Wyandotte	50 years		none
Ypsilanti	none		20 and out
Ypsilanti Township	60 years	or	25 and out

Table 2

Comparison of Pension System Annuity Factors (Multipliers)
of Nineteen Municipalities

<u>Municipality</u>	<u>Annuity Factor</u>
Allen Park	* 2.5% (70% maximum) ^{1/}
Dearborn Heights	* 2.5% first 25 years, 1% thereafter ^{2/}
East Detroit	* 2.5% ^{3/} (65% of maximum) ^{3/}
Ferndale	2.25% (30 years maximum)
Garden City	* 2% first 25 years, 1% thereafter
Hazel Park	2.5% (75% maximum) ^{4/}
Inkster	2% up to age 55, 1% thereafter
Lincoln Park	2.5% (70% maximum)
Madison Heights	2.5% first 25 years, 1% thereafter
Melvindale	2% first 25 years, 1% thereafter
Plymouth	2%
River Rouge	2% (75% maximum)
Southgate	2.5% ^{5/}
Trenton	2% first 25 years, 1% thereafter
Wayne	2.5% first 25 years, 1% thereafter
Westland	2.5% first 25 years, 1% thereafter
Wyandotte	1.75% (Cap at 32.5 years)
Ypsilanti	2.5% first 25 years, 1% thereafter
Ypsilanti Township	* 2.5% first 25 years

* Fire fighters in these municipalities will also receive
social security benefits in addition to their pensions.

1. Retirants hired before 1/1/85. Employees hired on or after 1/1/85: 1% first 5 years of service 2.5% thereafter (maximum 70%); age of eligibility 54.5.
2. Retirants hired before 7/1/83. Employees hired on or after 7/1/82: 2% first 25 years of service, 1% thereafter.
3. Employees eligible to receive Social Security benefits: 2.5% until eligible for Social Security; benefit then recomputed based upon 2.125%.
4. Multiplier is 2% for years of service prior to 1/10/79. 2.5% for years of service after 1/10/79.
5. Retirant hired before 1/1/81. Employees hired on or after 1/1/81: 2% first 25 years of service, 1% thereafter

Table 3

Percent of Final Average Compensation
Provided to Fire Fighters Upon Retirement with
Thirty Years' of Service

<u>Municipality</u>	<u>% Final Average Compensation</u>
Allen Park	70.0%
Dearborn Heights	67.5%
East Detroit	65.0%
Ferndale	67.5%
Garden City	55.0%
Hazel Park	64.5%
Inkster	60.0% (expired contract) *
Lincoln Park	70.0%
Madison Heights	67.5%
Melvindale	55.0%
Plymouth	60.0%
River Rouge	60.0%
Southgate	75.0%
Trenton	55.0%
Wayne	67.5%
Westland	67.5%
Wyandotte	52.5%
Ypsilanti	67.5%
Ypsilanti Township	62.5%

* The Union is requesting a multiplier of 2.15% for each year of service. For thirty (30) years this would be 64.5% of final average compensation.

Table 4
Comparison Pension Vesting Provisions
for Fire Fighters in
Nineteen Municipalities

<u>Municipality</u>	<u>Minimum Vested Eligibility</u>
Allen Park	25 years or age 50 with 10 years
Dearborn Heights	10 years
East Detroit	10 years
Ferndale	10 years
Garden City	25 years or age 50 with 10 years
Hazel Park	10 years
Inkster	None *
Lincoln Park	10 years
Madison Heights	10 years
Melvindale	10 years
Plymouth	10 years
River Rouge	None
Southgate	10 years
Trenton	10 years
Wayne	15 years
Westland	10 years
Wyandotte	10 years
Ypsilanti	10 years
Ypsilanti Township	10 years

* Firefighter is not considered to be vested until reaching age 55.

Table 5

Comparison Employer and Employee Contribution Rates
to Fire/Police Pension Systems
Nineteen Municipalities

Contribution Municipality	Employer Contribution	Employee
	<u>% Payroll</u>	<u>% of Earnings</u>
Allen Park	16.69%	6.00%
Dearborn Heights	NA	5.00%
East Detroit	6.36%	0.00%
Ferndale	20.06%	0.00%
Garden City	5.63%	5.00%
Hazel Park	15.15%	0.00%
Inkster	6.00%	6.00%
Lincoln Park	26.96%	7.55%
Madison Heights	20.89%	5.00%
Melvindale	4.28%	5.00%
Plymouth	14.24%	0.00% *
River Rouge	22.20%	5.00%
Southgate	22.39%	5.00%
Trenton	25.45%	5.00%
Wayne	10.51%	7.00%
Westland	18.53%	5.00%
Wyandotte	25.89%	0.00%
Ypsilanti	22.89%	10.00%
Ypsilanti Township	29.83%	5.00%

*Employee has option of electing a 2.5 multiplier
with a contribution of about 4.5%

Health Insurance for Retirees

This is a Union issue and is economic. The language in the expired collective bargaining agreement is:

ARTICLE XXVI. HOSPITALIZATION INSURANCE

- (e) For employees who retire during the term of this contract the City shall pay one-half of the hospitalization insurance costs if the employee chooses to pay the remaining fifty percent of the premiums. However, employees who retire after the execution date of this agreement shall be granted a freeze on the dollar amount of his/her portion of health insurance premiums as of the date of retirement, and any increase in said premiums which may be imposed after retirement shall be borne by the City. Upon reaching the age of eligibility for medicare, the employee will no longer be eligible for City hospitalization insurance.

Union's Last Best Offer on Health Insurance for Retirees

The Union's last best offer is to modify Article XXVI(e) so as to clarify the language regarding the benefit now being provided to persons who retired prior to July 1, 1986, and to improve the benefit to be provided to persons who retire on or after July 1, 1986. The proposed language is shown below:

ARTICLE XXVI. HOSPITALIZATION INSURANCE

- (e) For employees who retired after July 1, 1977, the City shall pay one-half of the hospitalization insurance costs if the employee chooses to pay the remaining fifty percent of the premiums.

For persons who retired after February 13, 1984, the City shall pay one-half of the insurance costs and shall further grant a freeze on the dollar amount of his/her portion of health insurance premiums as of the date of retirement, and any increase in said premiums which may be imposed after retirement shall be borne by the City. Upon reaching the age of eligibility for Medicare, the retiree will no longer be eligible for City hospitalization.

For persons who retire after July 1, 1986, the City shall pay the full (100%) cost of health insurance, and upon reaching the age of eligibility for Medicare, the City shall pay the full (100%) cost of supplemental health coverage which, together with Medicare, will maintain the same level of coverage previously provided.

The health insurance coverage provided in accordance with the foregoing provisions shall cover both the retiree and spouse, if any, and shall consist of the same level of benefits provided to current employees.

The above to be effective July 1, 1986.

City's Last Best Offer on Health Insurance for Retirees

No change in the language of Article XXVI(e).

Discussion

Part of the Union's retiree health insurance offer is for the purpose of updating the language of the collective bargaining agreement and bring it into conformance with existing practice. The new language provides specific dates for the commencement of health insurance benefits for two separate groups of retirees: those who retired after July 1, 1977 and those who retired after February 13, 1984. In addition, the contract language will state that health insurance coverage includes the retiree's spouse, and that the level of coverage is identical for on-staff employees and for pre-65 year old retirees.

The Union's proposals for health insurance improvements for retirees would affect only those fire fighters who retired after July 1, 1986, which is the beginning date of the contract period that is the subject of this arbitration.

The Union wishes to make two key improvements to retiree health insurance contract provisions. Under the language in the expired collective bargaining agreement, the pre-65 year old retiree's health insurance share of the premium cost was frozen at one-half of the cost of the premium at the time he retired. Any increases thereafter in the health insurance premium were borne by the City. The City is now paying about 74% of the health insurance premiums for two (2) former employees who retired under the above described provision. (A third former fire fighter just retired so he is paying one-half of the premium). The Union proposes that the City pay the full cost of health insurance for retirees until they reach eligibility for Medicare.

Secondly, the Union wants health insurance benefits extended beyond age sixty-five (65) when the retiree is eligible for Medicare. While the language in the expired collective bargaining does not appear to require it, the City acknowledged that it supplements Medicare for post-65 year old retirees. The City pays 50% of the cost of the Medicare supplement that is necessary to provide the same health insurance benefits enjoyed by pre-65 year old retirees. The Union wants the City to pay the full cost of the supplement.

At present the City is paying \$3,882 annually for each full-time employee and each pre-65 year old retiree. The total cost for all retirees health insurance is \$25,261 of which the City pays \$14,710 (58%) and the retirees pay \$10,551 (42%). The cost to the City per retiree for 50% of the post-65 year old's Medicare supplement is less than the cost of the City's share of a pre-65 year old retiree's health insurance.

Comparables

The Union presented three (3) exhibits (Nos. 102, 103, and 104) for comparison of retiree health insurance benefits provided by nineteen municipalities. (Union Ex. Nos. 103 and 104 summarize Ex. No. 102)

Union Ex. No. 103 shows that thirteen (13) of the eighteen other municipalities used for comparison purposes provide for the full cost of its pre-65 year old health insurance premiums. The City of Inkster pays 50% of the cost for July 1, 1977 to February 13, 1984 retirees. For post February 13, 1984 retirees, the retirees share of the premium is frozen at 50% of the premium rate at the time he retired. Three municipalities pay less than the full cost of some of their retirees' health insurance benefits depending upon the years of service of the retiree. One municipality (Garden City) provides reduced coverage for fire fighters retiring after July 1, 1982. Ypsilanti Township provides a premium of \$142 a month which the Union reports is 100% of the premium. (This is somewhat confusing because at the rate of \$142 per month, the City pays only \$1,704 for health insurance coverage. The annual health insurance premium in Inkster is \$3,882).

Of the eighteen municipalities used for comparison purposes, fourteen (14) provide full health insurance coverage for their pre-65 year old retirees. (Union Ex. No. 104). Six of the municipalities pay a medicare supplement to bring the post-65 year old retirees health insurance to full coverage. In Garden City, the health insurance coverage is for the retiree only. In Madison Heights and Wayne, the City's share of the premium is reduced depending on the years of service of the retiree.

Positions of the Parties

Union's Position

The Union's argues that its last best offer should be awarded as more nearly complying with the relevant Sec. 9 factors in Act 312. The Union's proposal for 100% employer-paid benefits for those retiring after July 1, 1986 is a modest improvement which would merely bring the Inkster fire fighters into line with the rest of the comparables.

City's Position

The City has received significant premium increases since negotiations were completed for health insurance in the expired contract. The City has borne the full extent of these increases. Retirees have incurred no increases.

The Union provided no information as to the total cost of its proposals for increased health insurance coverage.

The retired fire fighters have been receiving insurance benefits in excess of retired police officers. Since the fire fighters are already receiving a significant improvement over that received by the police officers, the fire fighters last best offer should be denied.


Discussion

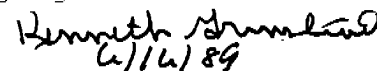
While Union Exhibits Nos. 102, 103, and 104 show that health insurance coverage for Inkster retirees is below that provided by neighboring comparable municipalities, the coverage nevertheless is better than that received by Inkster Police retirees. Additionally, under the expired contract provisions the City is required to absorb any increases in health insurance benefits. Consequently, during the passed few years, the City's retiree insurance costs have escalated while the retirees share has remained the same. These insurance cost increases place pressure on the City's ability to pay. Consequently, it is the Panel's position that the City's last best offer on health insurance should be adopted. (We note that during the Hearing, evidence was presented to indicate that perhaps some health insurance benefits were being administered inconsistent with the Contract language. The Panel encourages the Parties to make any necessary corrections to bring the language into compliance with actual practice).


AWARD

The Panel awards the City's last best offer on health insurance for retirees:

No change in the language of Article XXVI(e).


Grady Holmes
City Delegate


6/16/89
Kenneth Grinstead
Chairman


6-6-89
James Leskun
Union Delegate

Sick Leave Payout

This is a Union issue and it is economic. The Union proposes to change the language of Article XXIII(k) which is:

ARTICLE XXIII(k)

- (k) Upon retirement of an employee, or upon death, the employee's estate, shall receive cash payment at his current daily regular rate of pay, excluding premium rates, for 75% of his accumulated sick time -- but not to exceed 150 days of payment for employee working 40-hour workweek, or 93 days for employee working a regular workweek in excess of 40 hours, (calculated based on 75% of 125 days). No payment is to be made for unused sick leave upon separation from City Employment except retirement or death.

Union's Last Best Offer

In its preliminary position statement on the outstanding issues, the Union proposed to modify Article XXIII(k) to allow for a payout upon termination in addition to retirement or death, and to increase the payout to 100% of all unused sick days. In its last best offer submission the Union stated that it was "withdrawing that part of its preliminary proposal which sought an increase in the amount of sick leave payout to 100% of all unused sick day." Consequently, the Union's last best offer is limited to modifying (shown in capitalized letters) Article XXIII(k).

ARTICLE XXIII(k)

- (k) Upon retirement of an employee, or upon death, the employee's estate, shall receive cash payment at his current daily regular rate of pay, excluding premium rates, for 75% of his accumulated sick time -- but not to exceed 150 days of payment for employee working 40-hour workweek, or 93 days for employee working a regular workweek in excess of 40 hours, (calculated based on 75% of 125 days). No payment is to be made for unused sick leave upon separation from City Employment except retirement, RESIGNATION, or death.

The above to be effective July 1, 1986.

City's Last Best Offer

It is the City's position that Article XXIII(k) should not be changed (subject to City's issue regarding 40 hour per week employees, i.e. eliminate the following language: "but not to exceed 150 days of payment for employee working 40-hour work week").

Union's Position

The Union wishes to add "payment upon resignation for unused sick leave" to the provisions in the expired contract. The incentive to conserve use of sick time will be enhanced by adding payout upon resignation in addition to death or retirement. The payout formula serves as partial compensation for a benefit which the employee earned but did not use. The comparability data strongly supports the Union's position.

City's Position

Sick leave payout is designed for those employees who have dedicated themselves to the City over the years. The benefit is not for the transient employee. The proposed benefit increase would create an incentive for employees to quit rather than to continue their employment with the City.

The cost of sick leave payout increases with pay increases. The Panel should not impose a financial burden on the City that it cannot afford.

Discussion

Of the eighteen (18) municipalities with which Inkster is compared in Union Ex. No. 75, fourteen (14) provide some type of sick leave upon resignation. The formula for sick leave payout upon resignation of seven municipalities is the same as for retirement.

The Union has proposed that its last best offer of a 75% payout upon resignation of accumulated sick time, but not to exceed 93 days, be adopted by the Panel. Of the eighteen comparable municipalities, Union Ex. No. 75 identifies only three (River Rouge, Trenton, and Wayne) that exceed a maximum of 93 days payout. (In Trenton, for employees hired after July 1, 1972, the maximum payout upon resignation is reduced to 75 days).

The average sick leave payout upon resignation of the eighteen municipalities is 58 days. (Fifty-six days if Trenton's reduction after July 1, 1972 is considered).

Three municipalities besides Inkster (Lincoln Park, Wyandotte, and Ypsilanti) provide for no sick leave payout upon resignation. In East Detroit, fire fighters hired after July 1, 1982, will receive no payout upon resignation. It is also important to note the following:

1. In Dearborn Heights, employees hired prior to July 1, 1983, may accumulate 150 sick days and receive 50% payout upon resignation. But those hired after July 1, 1983, may accumulate a maximum of 50 days and receive only a maximum of 25 days pay upon resignation.

2. In Hazel Park, employees hired before July 1, 1987, may accumulate up to 67 sick days and receive pay upon resignation for 50% of those accumulated days. Fire fighters hired after July 1, 1987, in Hazel Park have an accumulation limit of 42 days and may receive a maximum payout upon resignation of only 21 days.
3. In Trenton, employees hired before July 1, 1972 may accumulate to a maximum of 240 sick days and receive pay for 50% of those days. Fire fighters employed after July 1, 1972, may accumulate 150 days and receive pay for 75% of those days.
4. Article XXI(h) of the Inkster Police Patrol Contract does not provide for sick leave payout upon resignation.

The data in Union Ex. No. 79 and the Police Patrol contract do not support the Union's last best offer for sick leave payout upon resignation. Their offer of 75% of a maximum accumulation of 125 days (93 days actual) payout upon resignation would exceed the payout in fifteen of the comparables (sixteen, if Trenton's after July 1, 1972 formula is utilized). There appears to be a trend (established in East Detroit, Dearborn Heights, Hazel Park, and Trenton) to either eliminate or reduce sick leave payout upon resignation. The Union's last best offer on sick leave payout upon resignation is inconsistent with the Police Patrol Contract.

The City's ability to pay does not support this additional expenditure.

AWARD

The City's last best offer on the issue of sick leave payout upon resignation is adopted by the Panel. The following language is to remain in the contract:

ARTICLE XXIII(k)

- (k) Upon retirement of an employee, or upon death, the employee's estate, shall receive cash payment at his current daily regular rate of pay, excluding premium rates, for 75% of his accumulated sick time -- but not to exceed 150 days of payment for employee working 40-hour workweek, or 93 days for employee working a regular workweek in excess of 40 hours, (calculated based on 75% of 125 days). No payment is to be made for unused sick leave upon separation from City Employment except retirement or death.

Grady Holmes
6/16/89
Grady Holmes
City Delegate

Kenneth Grinstead
6/16/89
Kenneth Grinstead
Panel Chairman

James C. Leskun (Dissent)
6-16-89
James Leskun
Union Delegate

Table 1

Comparison Nineteen Municipalities' Provisions
for Sick Leave Payout Upon Resignation

<u>Municipality</u>	<u>Maximum Number Days Accumulation For Payout</u>	<u>Percentage (%) Of Accumulated Days Paid</u>	<u>Maximum Number of Days Paid</u>
Allen Park	16.66	100%	16.66
Dearborn Heights	150/50	50%	75/25
East Detroit	165	Years of Service x 2.5% sick leave	--
Ferndale	30	50%	15
Garden City *	60	50%	30
Hazel Park *	67/42	50%	33.5/21
INKSTER	None	--	--
Lincoln Park	None	--	--
Madison Heights	22	50%	11
Melvindale *	160	47.33%	75.75
Plymouth	100	33.33%	33.33
River Rouge *	120	100%	120
Southgate	Unlimited	50%	90
Trenton *	240/150	50%	120/75
Wayne *	Unlimited	1 week	294
Westland *	Unlimited	80%	81.25
Wyandotte	None	--	--
Ypsilanti	None	--	--
Ypsilanti Tp.	100	50%	50

*Indicates same payout for resignation as for retirement.

1. Employees hired before 7/1/83: 150 days maximum accumulation: 6 day maximum annual payout. Employees hired after 7/1/83: 50 day maximum accumulation.
2. Contingent upon years of service: employees hired after 7/1/82 will receive no payout.
3. Employees hired before 7/1/87: 67 days (1600 hours) maximum accumulation. Employees hired after 7/1/72: 42 days (500 hours) maximum accumulation.
4. Must have a minimum of 5 years of service.
5. Employees hired before 7/1/72: 240 days maximum accumulation. Employees hired after 7/1/72: 150 days maximum accumulation.
6. Assumes 25 years of service: 70% of all sick leave accumulated: final average weekly pay \$162.

Educational Incentive Pay

This is a Union issue and is classified as economic. Under the expired collective bargaining agreement fire fighters are reimbursed for the cost of books and tuition when taking classes in fire science. The language in the expired contract provides:

XXII EDUCATIONAL LEAVE

- (c) The City shall reimburse a department employee for all tuition costs relative to college level classes that are job related or lead to a degree in fire science, provided that there is prior approval of the course by the City Manager, and further provided that the course is satisfactorily completed with a passing grade of at least a "C" or its equivalent. The reimbursement shall be administered through the City Treasurer's Office and not through the Fire department budgeting procedures.

The Union proposes to add to the language in Article XXII as follows:

Effective July 1, 1986, an annual allowance in the following amount shall be paid to employees for credit hours earned in job-related subjects, or other subjects taken as part of a program leading to an associates or bachelors degree in Fire Science.:

30 credit hours (or Fire Science Certificate)	\$200
60 credit hours (or Associates Degree)	\$300
90 credit hours	\$400
120 credit hours (or Bachelors Degree)	\$500

This annual allowance shall be paid in a lump sum at the end of the first pay period following July 1 of each year.

The above to be effective July 1, 1986.

Under the Union's proposal a fire fighter would not only receive reimbursement for books and tuition but would also receive an annual lump allowance; the amount would be dependent upon the level of training completed.

Union's Position

The Union's proposal would encourage job-related education and recognition by the City of having fire fighters complete job-related courses and the acquisition of advanced degrees.

Five of the comparables have an allowance similar to that proposed by the Union. The City's single level allowance isn't supported by the two police unit contracts. The patrol unit has a three-level benefit from 60 credits (or an Associate's degree) to 120 credit hours (Or Bachelor's degree). The Command unit has a five-level benefit ranging from 30 semester hours to a Master's degree.

Not one fire fighter would be eligible for an education allowance under the City's proposal. The Union's last best offer should be adopted.

City's Position

The City's proposal would retain the provision in Article XXII that provides for reimbursement for tuition and books and add a provision termed an "education incentive allowance." The new proposed section is:

Each fire fighter upon satisfactory completion of a bachelor's degree in the field of fire science, or an equivalent subject area, as approved by the city manager, shall receive an annual salary increment of \$400.00. Increments shall be paid in one lump sum in June of the fiscal year following presentation by the employee of satisfactory evidence or transcripts to the personnel director and upon authorization by the city manager.

The current contract creates the potential for the fire fighter to take college credit courses and receive full reimbursement for these courses as long as they are satisfactorily completed. It is important to note that the police contract does not provide for the reimbursement for college level courses. Instead, the police contract provides that each officer may receive up to \$400 each year upon satisfactory completion of a college program leading to a four-year degree. Consequently, the City's education incentive proposal for fire fighters exceeds the current provisions of the police contract. For these reasons, the City's last best offer for education incentive should be awarded.

Discussion

Firefighters enroll in courses in chemistry, operation of pumps, hydraulics, fire fighting tactics, and actual fire fighting techniques. The goal is to improve their firefighting expertise and receive at least an associate degree in fire science. Lieutenant Leskun is of the opinion that if a firefighter takes his own time and shows an interest in going to classes to further his knowledge of firefighting he deserves an incentive. It is a way of recognizing those men who go beyond what others are not willing to do.

At the present time one firefighter has a associate degree and several others have taken classes. No evidence was presented as to the anticipated cost of the Union's proposal.

The Union submitted two exhibits showing educational incentive pay provisions for Inkster police and for five municipalities. The method of paying education incentives in these units is a lump sum paid annually for having successfully completed course work. For example, the Contract with the Inkster Police Officers' Union provides:

XXXIII. EDUCATIONAL LEAVE

- (c) Each officer, upon satisfactory completion of two (2) years of undergraduate study toward a four (4) year degree, or upon the achievement of an Associate Degree shall receive an annual educational salary increment of \$200. In addition, upon completion of thirty (30) semester hours or subsequent year of undergraduate study, the officer shall receive an additional increment of \$100. Increments will be given during the fiscal year following the presentations of satisfactory evidence or transcripts to the Department and authorization by the City Manager.

The Contracts with the Inkster Police provide an annual reimbursement for any policeman who has taken courses in police work. The cost to the City has averaged between \$59 and \$63 annually for each policeman in the units. The Contract provisions are shown below:

Patrol Officers

2 years or Associate degree -- \$200 annually
Additional 30 semester hours -- \$300 annually
Another Additional 30 hours -- \$400 annually

Sergeants and Lieutenants

30 semester hours -- \$100 annually
60 hours or associate degree -- \$200 annually
90 semester hours -- \$300 annually
120 hours or bachelor's degree -- \$400 annually
Master's degree -- \$500 annually

Source: Union Ex. No. 69

It is important to note that neither the Police Patrol or Police Command Officers' collective bargaining agreements reimburse for tuition or books.

The Union placed into the record its Ex. # 68 which showed the education incentive allowances paid to firefighters in five of the comparable municipalities.

East Detroit	\$200 Fire Science Certificate; \$300 Associate Degree in Fire Science; paid in annual lump sum.
Hazel Park	\$250 Associate Degree in Fire Science; rolled into the base pay.
Madison Heights	\$100 Fire Science Certificate; \$200 Associate Degree in Fire Science paid in annual lump sum.
River Rouge	\$100 Associate Degree; \$200 Bachelor Degree; \$300 Master's Degree; paid in annual lump sum
Ypsilanti Tp.	2% of annual salary for Associate Degree in Fire Fighting

After reviewing all the evidence cited above, it is the conclusion of the Panel that the City's last best offer for education incentive more nearly complies with the Act 312 Section 9 applicable factors. It is more nearly comparable with both external and internal comparables as described above. It is within the modest ability of the City to pay. It is in the interest of the public to encourage fire fighters to enroll in advanced training programs that will improve their fire fighting skills.

AWARD

The Panel adopts the City's last best offer on education incentive allowance. The following provision is to be added to XXII EDUCATIONAL LEAVE:

Each fire fighter upon satisfactory completion of a bachelor's degree in the field of fire science, or an equivalent subject area, as approved by the city manager, shall receive an annual salary increment of \$400.00. Increments shall be paid in one lump sum in June of the fiscal year following presentation by the employee of satisfactory evidence or transcripts to the personnel director and upon authorization by the city manager.

Grady Holmes
6/16/89
Grady Holmes
City Delegate

Kenneth Grinstead
6/16/89
Kenneth Grinstead
Panel Chairman

James E. Leskun (DISSENT)
6-16-89
James Leskun
Union Delegate

Emergency Medical Service Pay

Expired Contract Language on EMT Pay

ARTICLE XXXII

3. (a) Effective February 20, 1984, EMT premium pay in the amount of Twenty (\$20.00) Dollars per day shall be divided among Emergency Medical Technicians assigned to the rescue unit. Effective April 1, 1984, EMT premium pay shall be paid quarterly, payments to be made in the first pay period after the end of each calendar quarter commencing April 1, 1984.

Last Best Offers

The Union's last best offer is to modify Article XXXII(3) (a) as follows:

3. (a) Effective July, 1986, EMT premium pay in the amount of Twenty-Five (\$25.00) Dollars per day shall be divided among Emergency Medical Technicians assigned to the rescue unit. EMT premium pay shall be paid quarterly, payments to be made in the first pay period after the end of each calendar quarter.

The City's last best offer is to make no change in Article XXXII (3) (a).

The Emergency Medical Service Operation

The City of Inkster provides emergency medical services (EMS) to its residents by utilizing on-duty fire fighters who have been trained and licensed as emergency medical technicians (EMT's). Two fire fighters from each 24-hour shift are assigned EMS duty. In recent months a shortage of EMT's has caused Inkster fire fighters to be assigned to the rescue unit more frequently, approximately 2/3 of the shifts worked. However, three additional fire fighters have been certified recently raising the number to fifteen EMT's. Consequently, the frequency of assignments will be reduced.

To acquire an EMT license, a fire fighter must complete a basic course of 120 hours of classwork. To retain the license, he is required to attend refresher training each month. Licenses are renewed every three years. Most of the training occurs when the fire fighter is not on duty.

The basic responsibility of the EMT is to administer first aid and stabilize and transport the patient to the hospital. While performing EMS services, the fire fighter is sometimes exposed to assault, stress, and contamination from blood and body fluids.

Under the expired contract, the City allocated \$20.00 for each 24-hour shift to pay those two fire fighters assigned to EMS duty. If the fifteen EMS trained fire fighters work an equal number of shifts as EMT's, each would collect about \$487 per year for the EMS duty. However, during the past two or three years, there have been fewer than fifteen licensed EMT's. Consequently, some of the fire fighters have earned more because they were assigned the duty more often. Some EMT's earned in excess of \$600 each year.

EMT's make approximately six EMS runs per 24-hour shift with each run averaging 34 minutes. The average time spent by an EMT during a 24-hour period on EMS runs is four hours. (The number of EMS runs per shift has been increasing during the past few years). Upon returning to the fire station additional time is required for the purpose of cleaning and checking equipment, replenishing materials, and filing reports.

Until July 1, 1988, the City charged \$60 for each EMS run. However, the collection rate was only 27%. In one period of eleven and one-half months from July 1, 1987 to June 14, 1988, the City billed for 1,846 alarms amounting to \$110,760. The City expects to collect only \$30,000 from those billings. Effective July 1, 1988, EMS charges were increased to \$100 for residents and \$125 for non-residents. It will require some time to reach these levels because of insurance restrictions.

The annual cost to the City for EMT pay is \$20 for each of the 365 twenty-four hour shifts. This totals \$7,300 annually. The Union's last best offer would increase this cost to \$9,125, an increase of 25%.

For the EMT who receives \$10.00 for his work on a shift, this is a 25% increase. His average annual EMS pay would increase from \$487 to \$608, an increase of 25%.

Positions of the Parties

Union's Position

Evidence supports the Union's position that stress of the EMT's role is high. Training and licensing is required. The EMT's workload exceeds that of other fire fighters. EMT runs have been increasing. (17% in the last three years). Inkster EMT's earn \$608 a year compared to \$646 in the comparables. The City has increased charges for its EMT services with related increases in revenue. The daily rate for EMT pay per shift should be increased to \$25 per day.

City's Position

The Union's request for an EMT increase is 25%. The City pays \$7,300 for all fire fighters involved in EMT work. In 1982, EMT's receive \$12 per day and in 1984, \$20. Total direct costs for fire fighters exceeds that of Police Patrol. (1985-86 rates). When EMT pay is added, this disparity increases. For this reason, EMT pay should not be further increased. Also, the City has been operating its EMS service at a significant loss in terms of amounts not collected from users.

Discussion

It is the opinion of the Panel that the Union's last best offer for EMT pay should be awarded for the following reasons:

1. The City is providing EMT service to its citizens and charging a fee for that service. The service is not supported by taxes. Hence, it is not subject to the City's financial ability.
2. The fee charged to resident users by the City has increased from \$60 to \$100, a 66% increase.
3. The workload has increased. The number of EMT runs per 24-hour shift has increased during the past few years.
4. The Union submitted data regarding EMT pay for eleven (11) municipalities other than Inkster. These data are shown in Table 1. An analysis of the data in Table I indicates that EMT's in seven of the municipalities receive pay in excess of that of Inkster and only four receive less pay.

AWARD

The Panel awards the Union's last best offer for an increase in EMT pay. The language in the new contract should be:

The Union's last best offer is to modify Article XXXII(3) (a) as follows:

ARTICLE XXXII.

3. (a) Effective July, 1986, EMT premium pay in the amount of Twenty-Five (\$25.00) Dollars per day shall be divided among Emergency Medical Technicians assigned to the rescue unit. EMT premium pay shall be paid quarterly, payments to be made in the first pay period after the end of each calendar quarter.

Grady Holmes
6/16/89
Grady Holmes
City Delegate

Kenneth Grinstead
6/16/89
Kenneth Grinstead
Chairman

James C. Leskun
6-16-89
James Leskun
Union Delegate

Table 1

Emergency Medical Service Pay Provisions

<u>Municipality</u>	<u>Pay Provision</u>
East Detroit	\$250 annual lump sum paid to all certified EMT's. Effective 7/1/88 increased to \$300.
Ferndale	2% of annual base wage paid EMT's assigned to ambulance detail
Garden City	5% of base wage per shift assigned EMT duty (plus \$300 annual lump sum paid to all certified EMT's effective 7/1/88); 10% of base wage per shift assigned ALS duty (plus \$600 annual lump sum paid to all certified ALS effective 7/1/88)
INKSTER *	\$20 per day divided among two assigned EMT's (\$10 each) \$487 annually
Lincoln Park	\$275 annual lump sum paid to all certified EMT's
Melvindale	\$20 per month for each employee who performs EMT duties at any time during the calendar month
Southgate	(325 annual lump sum paid to all certified EMT's effective 7/1/88; \$425 effective 7/1/89.
Trenton	\$600 annual lump sum paid to all certified EMT's
Wayne	\$575 annual lump sum paid to all certified EMT's
Wyandotte	\$.50 per hour per shift assigned
Ypsilanti	\$500 annual lump sum paid to 12 certified EMT's (by seniority); increased to \$1,500 after 3 consecutive years of EMT assignment
Ypsilanti Township	3% of base wage paid to all certified EMT's

* The Union's last best offer would increase EMT pay to \$12.50 per EMT per shift or \$608 per year. The City's offer is to freeze EMT pay at the expired Contract level.

Hours/Overtime

This is a Union issue and is economic. (The City also has an Hours/Overtime issue). The purpose of the Union's proposal on this issue is to clarify Article IX, Section (a) so that the language is in conformance with actual practice.

Language in the Expired Collective Bargaining Agreement

ARTICLE IX. OVERTIME

- (a) Overtime pay shall be paid for employees of the Firefighting Division for all work in excess of their regularly scheduled work day (24 consecutive hours) or workweek (54 hours). In addition, employees shall be paid overtime for all actual hours worked in excess of two hundred sixteen (216) hours in a twenty-eight (28) consecutive day period (cycle). Such overtime shall be paid at one and one-half (1-1/2) the employee's prevailing hourly rate, which for the purpose of this Agreement shall be deemed to be the annual salary for such employee, divided by 2,808 hours.

Union's Last Best Offer on its Hours/Overtime Issue

Shown below is the modified language offered by the Union in its last best offer. The Union seeks to change the reference to 216 hours to 212 hours, and the reference to 2,808 to 2,756 hours. The language to accomplish this change is shown below.

ARTICLE IX. OVERTIME

- (a) Overtime pay shall be paid for employees of the Firefighting Division for all work in excess of their regularly scheduled work day (24 consecutive hours) or workweek (54 hours). In addition, employees shall be paid overtime for all actual hours worked in excess of two hundred twelve (212) hours in a twenty-eight (28) consecutive day period (cycle). Such overtime shall be paid at one and one-half (1-1/2) the employee's prevailing hourly rate, which for the purpose of this Agreement shall be deemed to be the annual salary for such employee, divided by 2,756 hours. (Changes underlined).

City's Last Best Offer on Union's Hours/Overtime Issue

Shown below is the City's last best offer on the Union issue of Hours/Overtime. It would make a substantial change in the language.

Overtime (Article IX(a) - Overtime)

City Position - The City would amend Article IX(a) to read as follows: "Overtime pay shall be paid for employees of the firefighting division in conformity with the overtime requirements of the Fair Labor Standards Act".

Union's Position

The purpose of the proposed language changes in Article IX(a) is to bring it into compliance with present day reality. When the Fair Labor Standards Act (FLSA) became applicable to fire fighters in 1986, the standard for overtime pay became 212, not 216, and the hourly rate of pay began to be calculated based on 2,756 hours, not 2,808 hours. The Union's last best offer would merely correct and update the current contract language.

The City's last best offer on this Union issue should be rejected. It constitutes a significant and substantive change. It would eliminate the contractual overtime pay provision. FLSA sets a minimum; collective bargaining agreements often provide better benefits. The Union's last best offer addresses FLSA overtime standards as well as overtime pay for working in excess of regularly scheduled work hours regardless of whether the fire fighter has exceeded the 212 standard. Under the City's last best offer, fire fighters would get only the overtime pay required under the minimum FLSA requirements. They would lose their existing contractual right to time and one-half pay whenever they worked beyond their regular scheduled hours.

City's Position

In its issue on Hours and Overtime, the City's objective is to change the language in Article IX to conform to the FLSA. City Manager Holmes testified that the City's position regarding Article IX was to change the language to conform to the FLSA. The Union would not be prejudiced since the language of the FLSA would govern the contractual language concerning overtime. Present contract language mandates a twenty-four (24) hour work schedule. A language change would be necessary should the City be permitted to change the language concerning the twenty-four (24) hour schedule.

Discussion

Through testimony by James Leskun, Union President, the work schedule of the Inkster fire department was explained. The schedule is complex, partially because it must conform to minimum standards incorporated in Federal and State labor standards. Leskun explained how the language of the expired contract is not consistent with actual practice. The City did not challenge the accuracy of Leskun's explanation of the schedule.

An award has been made regarding the City's Hours and Overtime issue. The Panel specifically rejected the City's request to substitute the following language for Article IX(a):

Overtime pay shall be paid for employees of the firefighting division in conformity with the overtime requirements of the Fair Labor Standards Act".

The above quoted language of the City constitutes its proposed amended language for Article IX(a). When considering the City's Hours and Overtime issue, the Panel rejected any notion of abandoning the contract language that establishes a work schedule and to permit the employer complete discretion over work schedules. Having made its decision regarding the City's Hours and Overtime issue, the Panel adopts the Union's last best offer for its Hours/Overtime issue. It is in the public's interest for the Panel to make adjustments in contract language to conform with actual practice.

Award

The Panel adopts the Union's last best offer for its Hours and Overtime issue. The new language for Article IX(a) should be:

ARTICLE IX. OVERTIME

- (a) Overtime pay shall be paid for employees of the Firefighting Division for all work in excess of their regularly scheduled work day (24 consecutive hours) or workweek (54 hours). In addition, employees shall be paid overtime for all actual hours worked in excess of two hundred twelve (212) hours in a twenty-eight (28) consecutive day period (cycle). Such overtime shall be paid at one and one-half (1-1/2) the employee's prevailing hourly rate, which for the purpose of this Agreement shall be deemed to be the annual salary for such employee, divided by 2,756 hours.

Grady Holmes (Dissent)
6/16/89
Grady Holmes
City Delegate

Kenneth Grinstead
6/16/89
Kenneth Grinstead
Panel Chairman

James E. Leskun
6-16-89
James Leskun
Union Delegate

Long Term Disability Insurance

This is a Union issue and is economic. The language in the expired collective agreement the Union seeks to change is:

ARTICLE L(b)

Monthly Benefits begin after 90 consecutive days of disability and will be sixty (60%) percent of salary up to \$600 benefit per month, exclusive of overtime or other pay additives.

Union's Last Best Offer

The Union proposes as its last best offer on this issue the following language as a substitute for Article L(b):

Monthly Benefits begin after 90 consecutive days of disability and will be sixty (60%) percent of salary up to \$1,000 benefit per month, exclusive of overtime or other pay additives.

City's Last Last Best Offer

Monthly Benefits begin after 90 consecutive days of disability and will be sixty (60%) percent of salary up to \$1,000 benefit per month, exclusive of overtime or other pay additives.

AWARD

Because the City's last best offer is identical to that of the Union, the Union's last best offer is adopted. The language change is:

ARTICLE L(b)

Monthly Benefits begin after 90 consecutive days of disability and will be sixty (60%) percent of salary up to \$1,000 benefit per month, exclusive of overtime or other pay additives.

Grady Holmes
6/16/89

Grady ~~Knowles~~ Holmes
City Delegate 12/1

Kenneth Grinstead
6/16/89
Kenneth Grinstead
Chairman

James E. Leskun
6-16-89
James Leskun
Union Delegate

Uniforms, Food, and Longevity Allowances

This is a City issue and it is "economic." The provisions in the expired contract which the City seeks to change are shown below:

Expired Contract Terms

XXXI. UNIFORMS

- (a) For the term of this contract the uniform allowance for permanent and probationary employees shall be \$375 per year and for officers \$400 per year. This allowance shall serve as reimbursement for purchase, maintenance and replacement of uniforms as required by the departmental orders and regulations. This allowance to be paid in full in October of each fiscal year. New employees entering into the service of the Fire department during the fiscal year shall receive a uniform allowance pro-rated over the amount of time left in the fiscal year in which they entered the Department. However, if an employee terminates his employment during the fiscal year, he shall return his unearned pro-rata share of his uniform allowance.
- (b) New employees entering into the service of the Fire Department between July 1, 1977 and the date of the expiration thereof, shall be provided by the City with one complete full dress uniform. Such full dress uniform shall not include any item of apparel or equipment, ordinarily described as work uniforms and equipment. Upon the date of separation from service with the City, such employee shall return such full dress uniform to the Chief of the Fire department in good and reasonable condition, normal wear and use expected.
- (c) Fire Department personnel shall not be required to wear dress uniforms to and from work with the exception of special assignments.

XXXVI FOOD ALLOWANCE

- (a) Each permanent employee, including probationary employees shall be provided an annual food allowance of \$550. This allowance to be paid in full in October of each fiscal year. However, if an employee terminates his employment during the fiscal year, he shall return his unearned pro-rata share of his food allowance.

- (b) New Employees entering into the service of the fire department during the fiscal year shall receive a food allowance pro-rated over the amount of time left in the fiscal year in which they entered the department.

XXXIV. LONGEVITY PAY

- (a) Longevity pay will be paid to covered employees according to the following schedule based on the years of service as an employee of the City of Inkster.
1. Seventy-five (\$75.00) Dollars for three (3) years service to be paid in the third year on the employee's anniversary date.
 2. An additional Twenty (\$20.00) Dollars per year for four (4) to five (5) years service.
 3. An additional Twenty-five (\$25.00) Dollars per year for six (6) to ten (10) years of service.
 4. An additional Thirty (\$30.00) Dollars per year for eleven (11) or more years of service up to a maximum of Five Hundred Forty (\$540.00) Dollars.
- (b) The above longevity pay will be paid once a year on the employees anniversary date.

Last Best Offers

The City proposed to eliminate the uniform allowance (Article XXXI); food allowance (Article XXXVI); and longevity pay (Article XXXIV) effective on July 1, 1986, and add a new article entitled EQUIPMENT ALLOWANCE that provides:

- (a) Each permanent employee, including probationary employees shall be provided with an annual equipment allowance of \$550.00. This allowance is to be paid in full in October of each fiscal year. However, if an employee terminates his employment during the fiscal year, he shall return his unearned pro-rata share of his equipment allowance.

- (b) New employees entering into the service of the fire department during the fiscal year shall receive an equipment allowance pro-rata over the amount of time left in the fiscal year in which they entered the department.
- (c) Employees shall not be paid an equipment allowance for any period of duty disability or other absence from work which exceeds twelve (12) months duration.

The Union's last best offer on uniform, food, and longevity is to retain the Articles in the expired contract related to these items.

City's Position

It is the City's wish to eliminate the identified provisions of the collective bargaining agreement and add a new one in order to bring the fire fighters' contract into line with that of the police patrol. The uniform, gun, and longevity pay allowances in the police contract were eliminated September 1, 1986. A new allowance was created entitled "performance allowance." This "performance allowance" was equivalent to the old uniform allowance received by police officers. While the longevity and gun allowances were eliminated in the police contract, they were actually folded into base wages. For the fire fighters, the elimination of longevity, food, and uniform allowances will be replaced by a \$550 allowance termed "equipment allowance." For the fire fighters, also, the amounts for the other allowances will be folded into the base wages. The folding in of these allowances into base wages will have a positive economic impact on fire fighters' overall compensation due to the fact that any future wage increases will be compounded onto these respective allowances. Additionally, the "folding in" aspect will have a positive effect on the hourly overtime rate for each employee. It will also increase the final average compensation for the purpose of determining pension benefits.

Union's Position

The rebuttal comparability evidence submitted by the Union overwhelmingly supports the Union's position that the above cited provisions of the expired collective bargaining contract should be retained and the City's last best offer rejected.

These benefits have been long standing. Historical existence of these three benefits support the union's position.

Union Exhibit 55 shows that of the eighteen (18) comparables, sixteen (16) have a paid-in-cash clothing allowance similar to that in Inkster. Of the other two, one has all clothing provided and the other has a vendor credit plus a cash allowance. Actually, the clothing allowance in Inkster is below the average paid in other communities.

Of the eighteen (18) comparables, all but one have a cash food allowance and in Inkster the average is below that of the others. Union President Leskun testified that the current food allowance is below actual costs.

All of the eighteen (18) comparables, except one, provide longevity pay and that Inkster fire fighters receive less than the average.

The City did not show any evidence that other municipalities have replaced these three benefits with an "equipment allowance." Furthermore, the proposed \$550 is far below that now provided. The combined amount of the three benefits is \$925 (assuming \$270 for longevity). Consequently, the City's proposal is a significant reduction.

Contrary to the City's claim, these three benefits would be forever eliminated. A statement that the benefits aren't being eliminated because they are "rolled into" wages is sophistry at its worst.

Using the police patrol unit provisions as a comparison is misplaced. The police never did receive a food allowance. Additionally, the police voluntarily through collective negotiations chose to eliminate their gun, uniform and longevity benefits in exchange for a "performance allowance." This does not justify imposition of the same change on the fire fighters. Also, no evidence was presented to show the motivation why the police accepted the City's offer.

The fire fighters are not interested in the "roll in to the base wage" concept offered by the City.

Any ability to pay claims by the City are immaterial since they are already paying for the benefits. And, the benefits already being paid to Inkster fire fighters for longevity, uniform, and food are now below that being paid in other comparable communities. The Union's last best offer should be adopted by the Panel.

Discussion

The City negotiated an similar allowance, termed "performance allowance," with the Inkster Police Officers' Union. That provision is:

XXVIX. PERFORMANCE ALLOWANCE

- (a) Upon the first regular pay day following September 1, 1986 and each year thereafter each sworn Police Officer who has completed his probationary period shall be paid and provided a performance allowance of Five Hundred Fifty (\$550.00) dollars.

It is the Panel's opinion that the City's last best offer should be adopted. This will mean the elimination of longevity, food, and uniform allowances totaling approximately \$1,165 per year and substituting an equipment allowance of \$550. The net change for a fire fighter will be about \$615 for a one-year period. (It will be more of a change for senior fire fighters and less for those more recently hired). This reduction will have an economic impact for the three-year period of about \$1,845 per fire fighter.

However, it should be noted that by accepting the Union's last best offer for wages, Inkster fire fighters' wages will increase during the three-year period of the contract at a faster rate than the Consumers Price Index. Between July 1, 1985 and July 1, 1986, the CPI actually decreased by 0.3%. The Union's wage offer that has been adopted by the Panel increases by 6% during the same period. Between July 1, 1986 and July 1, 1987, the CPI increased 4.4%. Inkster fire fighter wages will increase by 2% during the same period. Between July 1, 1987 and July 1, 1988, the CPI rose 4.2%. Inkster fire fighter wages for the same period will rise 6%. Thus during a three-year period when the CPI rose from 308.3 to 334.7, an increase of 8.6%, Inkster fire fighter wages will have increased from \$26,100 to \$29,912, an increase of 14.6%. After subtracting the reduction resulting from the substitution of the equipment allowance for uniform, longevity, and food allowances, the increase in total compensation will substantially exceed the increases in the CPI. Consequently, the combination of the Union's last best offer for wages and the City's last best offer for uniforms, food, and longevity will result in a total compensation increase per fire fighter that exceeds the increases in the cost of living.

The adoption of the employer's offer recognizes the City's limited ability to pay as described elsewhere in this report.

While the Union is correct in arguing that the heavy preponderance of other municipalities have longevity, uniform, and food allowances, the Panel must also recognize the internal comparable of the police patrol where these allowances have been eliminated and another type has been substituted.

While the Panel has adopted the City's last best offer on this issue, the Chairman is somewhat perplexed by the City's retroactive application of the offer to July 1, 1986. Because of the extension of the provisions of the expired agreement, fire fighters have all

received the benefits of the uniform, food, and longevity allowances during the past three years. The City insisted that these benefits would be folded into the City's wage offer, an offer that the Panel has rejected primarily because of its negative impact upon recent hires. Since the Union never contemplated the "folding in" of the three benefits into its wage offer (the one the Panel has adopted), it is somewhat difficult to rationalize the retroactive application of the offer. As Panel member Leskun has pointed out in his dissent, the administration of the retroactive application of the City's offer will be difficult. Also, the provisions of the current Police Patrol contract for the period July 1, 1984 through June 30, 1989, show that it was signed on or about September 16, 1986, but the so-called "performance allowance" was not made retroactive, but was applied prospectively from September 1, 1986.

It is the Chairman's recommendation that the City not make a retroactive application of its last best offer on uniform, food, and longevity.

Award

The Panel adopts the City's proposal to eliminate the uniform allowance (Article XXXI); food allowance (Article XXXVI); and longevity pay (Article XXXIV) effective on July 1, 1986, and add a new article entitled EQUIPMENT ALLOWANCE that provides:

- (a) Each permanent employee, including probationary employees shall be provided with an annual equipment allowance of \$550.00. This allowance is to be paid in full in October of each fiscal year. However, if an employee terminates his employment during the fiscal year, he shall return his unearned pro-rata share of his equipment allowance.
- (b) New employees entering into the service of the fire department during the fiscal year shall receive an equipment allowance pro-rata over the amount of time left in the fiscal year in which they entered the department.
- (c) Employees shall not be paid an equipment allowance for any period of duty disability or other absence from work which exceeds twelve (12) months duration.

Grady Holmes
6/16/89
Grady Holmes
City Delegate

Kenneth Grinstead
6/16/89
Kenneth Grinstead
Panel Chairman

James C. Leskun (Dissent)
6-16-89
James Leskun
Union Delegate

OPINION OF DISSENT: FOOD, CLOTHING, AND LONGEVITY ALLOWANCES

I believe the decision of the panel to award the City's LBO is highly questionable in light of the vast majority of comparable communities who enjoy these benefits, many of which are greater than those received by the Inkster Firefighters, as shown in Union exhibits 55, 56, 57, & 58. In addition, a review of the settlement with the Inkster Police Officers Assn., which is the City's internal comparable, shows that when the IPOA lost their respective allowances no attempt was made by the City to recoup any monies already paid out, even though the settlement included two years of retroactivity.

More importantly, there was never any discussion, or mention made, of recoupment in any of our hearings or panel sessions, nor does the City's LBO itself state that the City would be entitled to recoup monies already paid. Even though the City's LBO referred to an effective date of July 1, 1986, that fact alone does not entitle the City to recoup monies already paid when the LBO never provided for any such recoupment.

Allowing the City to recoup would be contrary to the City's own testimony in which the city attorney (Tr VII, pp. 26-27), and witness James Klobuchar (Tr VI, pp. 125-128) repeatedly stated the intention was merely a folding in of monies, and not a dollar take-away. As a matter of fact, the city attorney insisted on clarifying this point for the record, and stated (Tr VII, pp. 26-27) in no uncertain terms that the City did not intend this to be a take-away item, and the City's intention was not to "take away dollars".

This money has already been taxed and pension contributions taken out where appropriate. In addition, there are several men who have retired or quit during the term covered by this award who will be receiving retroactive pay, and who could be required, by the City, to return monies received as long as three years ago.

For the above reasons, I believe that at a minimum this award should be clarified so as not to allow any recoupment on the part of the City of any kind.

James Leskun
Union Delegate

Emergency and Funeral Leave

This is a City issue and is economic. The language in the expired contract related to this issue are sections (a) (d), (e), (f), (j) and (k) of Article XVIII. These sections are shown below:

XVIII. EMERGENCY AND FUNERAL LEAVE

- (a) In the case of serious illness in his immediate family a regular employee may be granted an emergency leave of absence with pay for a period not to exceed four (4) consecutive calendar days, upon the recommendation of the immediate supervisor and the approval of the City Manager.
- (d) In addition to emergency leave, an employee may be granted a leave of absence with pay for a period not to exceed four (4) consecutive calendar days in the case of a death in the immediate family, upon the recommendation of the immediate supervisor and approval of the City Manager.
- (e) The four (4) calendar days shall commence with the date of death. If the employee is scheduled to work during that four (4) day period, the employee shall receive those days off with pay. If the employee is not scheduled to work during the four (4) day period, the employee shall receive no pay.
- (f) If the day of burial is beyond the four (4) day period, the employee may use personal leave days, vacation days or sick days to attend the burial.
- (j) If a death occurs to an employee's sister-in-law or brother-in-law, the employee may be granted four (4) consecutive calendar days leave with pay which shall be charged to his accumulated sick leave. If death occurs to other relatives not stated above, and the funeral is local, within 100 miles of the City of Inkster, 8 hours leave with pay, not charged to sick leave may be granted. If funeral is non-local, one-day leave with pay may be granted, which shall be charged to accumulated sick leave.
- (k) Employees who wish to attend the funeral or serve as pallbearers at a funeral of a fellow employee or former employee will be paid during the time they must be off the job.

City's Last Best Offer

Emergency and Funeral Leave (Article XVIII - Emergency and Funeral Leave)

City Position - Sections (a), (d), (e), (f), (j): The City would change the number of days from four (4) days to three (3) days in each of these sections.

Section (k): The City would amend Section (k) to read as follows: "Subject to the discretion of the fire chief, the City will allow up to four (4) employees who wish to attend the funeral or serve as a pallbearer at a funeral of a fellow employee or former employee who will be paid during the time they must be off the job, not to exceed eight (8) hours. Other employees may attend the funeral subject to the discretion of the City Manager, but will not be paid for the time they must be off the job, which time shall not exceed eight (8) hours.

Union's Last Best Offer

The Union proposes that the language in the expired collective bargaining agreement be retained without change.

Positions of the Parties

City's Position

The City wishes to change the language in the fire fighters' contract to make it similar to that in the Police Patrol contract. When a fire fighter receives four (4) days off, these are twenty-four (24) hour days, while the police have four (4), eight (8) hour days.

Also the City wishes to limit to four (4) the number of fire fighters who wish to attend the funeral or serve as pallbearer at a funeral of a former colleague. Presently, there is no limit. In actuality, the fire department could be shut down if all present employees desired to attend a funeral. There is no limiting language. Furthermore, permission of the Chief need not be secured.

Union's Position

The City presented no evidence to show abuse of the expired contract language. Because these provisions make reference to the City approval, it is difficult to predict that problems would arise.

The City's assertion that it wishes to make the funeral leave provisions similar for police and fire fighters is misplaced. The police do not have what the City is proposing for the fire fighters.

The comparables support the Union on this issue. Eleven municipalities have leave provisions that exceed those in the expired Inkster fire fighters contract.

The Union's last best offer should be adopted by the Panel.

Discussion

In Article XVIII, (a), (d), (e), (f), and (j) the City proposes to change the number of days from four (4) days to three (3) consecutive calendar days in each of these sections. In most cases because of the fire fighters' schedules, four (4) calendar days equates to being excused less than four (4) work days. (Fire fighters work twenty-four (24) hours on duty and are off a minimum of twenty-four (24) hours between shifts. Sometimes, they are off duty as many as four (4) consecutive calendar days).

In section (k), the City proposes to amend this provision to limit to four (4) the number of fire fighters who can attend a funeral or serve as a pallbearer at a funeral of a fellow employee, and permit other employees to attend at the discretion of the City Manager.

The City seeks to reduce or eliminate the disparity that exists between the fire fighters' and police contract provisions for funeral and emergency leave. Police are permitted three (3) eight hour days off and fire fighters are allowed four (4) twenty-four hours days off for serious illness or maternity in his immediate family.

Police are entitled to four (4) consecutive working days for funeral leave. Because Police work eight hour shifts, they are excused to a maximum of thirty-two (32) hours. Under the expired fire fighter contract, four consecutive could equate to more than thirty-two (32) hours

Additionally, the City seeks to limit the number of fire fighters who may be excused to attend the funeral of a fellow employee or former employee to four (4) firefighters. Under the expired contract language, there was no limitation to the number of fire fighters who could attend the funeral of a fellow or former employee. Permission to be excused will be at the discretion of the Fire Chief or the City Manager.

The Union presented an exhibit (No. 79) that depicts the number of days fire fighters are excused for funeral purposes in nineteen comparable municipalities. Of these municipalities, thirteen (13) either have contractual provisions that are the same as, or exceed, the provisions for funeral leave in the Inkster

fire fighters' contract. Four of the municipalities provide less than that allocated in Inkster. In Trenton, time off for funeral with pay is "granted as necessary."

The provisions in the Police Contract are shown below:

ARTICLE VII. EMERGENCY AND FUNERAL LEAVE

- (a) In the case of serious illness or maternity in his immediate family, a regular employee shall be granted an emergency leave of absence with pay for a period not to exceed three (3) days upon the approval of the Police Chief.
- (d) An employee shall be entitled to four (4) consecutive working days per funeral to make preparations for and attend the funeral of an immediate member of his family within 300 miles of the CITY OF INKSTER. . .
- (f) Employees who wish to attend the funeral or serve as pallbearers at a funeral of a fellow employee or former employee will be paid during the time they must be off the job.

Thus, in the Police contract, patrol officers are granted emergency leave for family illness or maternity or illness and four (4) consecutive days for family funeral, and time off only to attend the funeral of a fellow employee or former employee.

The language proposed by the City for the fire fighters is not similar to that in the Police contract. Nor could it be because of the different work schedules of the two groups. This is not a condition of employment where language can be made similar. Therefore, the two employee groups are not comparable for this issue.

The City has failed to present evidence in response to the "Criteria" in Act 312 to justify a reduction in the Emergency and Funeral Leave Article.

AWARD

The Union's last best offer for Emergency and Funeral Leave is adopted by the Panel. The language in Sections (a) (d), (e), (f), (j) and (k) of Article XVIII are to be retained.

Grady Holmes (Dissent)
6/16/89
Grady Holmes
City Delegate

Kenneth Grinstead
6/16/89
Kenneth Grinstead
Panel Chairman

James C. Leskun
6-16-89
James Leskun
Union Delegate

Table 1

Funeral Leave in Nineteen
Comparable Municipalities

<u>Municipality</u>	<u>Funeral Leave</u>
Allen Park	5 calendar leave
Dearborn Heights	7 calendar days *
East Detroit	3 calendar days **
Ferndale	Up to 5 calendar days
Garden City	3 <u>work</u> days; 4 <u>work</u> days if more than 300 miles ***
Hazel Park	3 calendar days; 5 calendar days if more than 300 miles
INXSTER	4 calendar days; 6 calendar days if more than 200 miles
Lincoln Park	2 <u>work</u> days ****
Madison Heights	3 calendar days; 5 calendar days if more than 200 miles
Melvindale	3 calendar days
Plymouth	2 <u>work</u> days ****
River Rouge	4 calendar days; 6 calendar days if out of state
Southgate	2 <u>work</u> days ****
Trenton	Time off with pay as necessary
Wayne	2 <u>work</u> days ****
Westland	3 <u>work</u> days ***
Wyandotte	2 <u>work</u> days ****
Ypsilanti	2 <u>work</u> days ****
Ypsilanti Tp.	4 calendar days
Inkster Police Patrol	4 calendar days; 5 calendar days if more than 300 miles
Inkster Police Command	4 calendar days; 5 calendar days if more than 300 miles

* For those hired prior to 1983; 5 calendar days for post-1983 hires.

** As granted by the Fire Chief

*** Three work days encompasses at least five calendar days and can encompass up to nine calendar days.

**** Two work days encompasses at least four calendar days, and can encompass up to eight calendar days.

Personal Leave

This is a City issue and is classified as "economic." The language in the expired collective bargaining agreement is shown below:

ARTICLE XXV. PERSONAL LEAVE (Expired Contract Language)

Fire Department employees shall be entitled to personal leave at the employee's request. Employees may split personal time with approval of the Chief or his designated agent the personnel director. Personal time shall be allowed at the discretion of the Chief or his designated agent. In no event will personal leave time be authorized on holidays. Personal leave time shall require twelve (12) hours notice except that such notice may be waived in the event of an emergency. Personal leave time shall not be used to extend vacations. During the term of this Agreement, forty-eight (48) hours of personal leave time is authorized. In no event shall an employee take less than four (4) hours personal leave except by permission of the Fire Chief or his designated representative. The personal leave granted must be for specific blocks of time in four (4) hour increments and approved by the Chief or his designated agent as to total length of time in hours.

The City seeks to change the above contract language and substitute the language as follows.

ARTICLE XXV. PERSONAL LEAVE (City's Proposal)

Fire Department employees may be entitled to personal leave at the employee's request. Personal time shall be allowed at the discretion of the Chief or the Personnel Director. In no event will personal leave time be authorized on holidays. Personal leave time shall require twenty-four (24) hours notice except that such notice may be waived by the Chief in the event of an emergency. Personal leave time shall not be used to extend vacations. Employees may use up to twenty-four (24) hours personal leave time each year. In no event shall an employee take less than four (4) hours personal leave. The personal leave granted must be for specific blocks of time in four (4) hour increments approved by the Chief or the Personnel Director as to the total length of time in hours.

The Specific Changes the City Requests

The City wishes to change the word "shall" in the first sentence of Article XXV to "may." The City wishes to eliminate the following sentence:

"Employees may split personal time with approval of the Chief or his designated agent the personnel director."

The City wishes to change the term "Chief or his designated agent" in the third sentence to "Chief or the personnel director." The City desires to change the notice request for personal leave from twenty-four (24) to twelve (12) hours. The City wishes to reduce the amount of personal leave time granted in one year from forty-eight (48) to twenty-four (24) hours.

Management of Personal Leave Time

If a prior request for personal leave is made to the lieutenant and time permits, the request is forwarded to the Chief. However, if a man reports for work in the morning and needs time off, it is granted and the request is then forwarded to the Chief. Leave time has been permitted without the twelve (12) hour advance notice. The Union has interpreted the word "emergency" to mean that if the employee requests personal leave, the lieutenant does not inquire into the reason for the personal leave but simply grants it despite the twelve (12) hour advance notice. Also, leave time is often granted in less than four (4) hour increments. The practice for years has been to allow lieutenants to grant personal leave and to make the judgment as to whether it can be for less than four (4) hours and given immediately.

City's Position

City Manager Holmes and Fire Chief Boulanger testified to the need to revise Article XXV, Personal Leave.

The purpose of personal leave time is to permit fire department personnel to take care of business that cannot normally be taken care of during normal working hours.

The City wants the prerogative of allowing leave time to fire fighters rather than being mandatorily obligated to grant it even though the Contract requires approval of leave time by the Chief. Management wants specific language which allows it to deny personal leave time. Firefighters are asking their lieutenants for personal leave time and the lieutenants are members of the same bargaining unit and this creates a special problem. It is the City's belief that a lieutenant cannot turn down a request for personal leave time because of the mandatory word "shall" in the opening sentence. It is a problem when management cannot turn down a personal leave request and it isn't possible to obtain another firefighter to come in and fill out the staff.

The purpose of the twelve (12) hour notice is to allow management time to obtain adequate staffing. If twenty-four (24) hour advance notice is required, a firefighter cannot report for a shift and then take personal leave time during that shift. It will force employees to do some better planning as to when they want personal leave. The City does not want the lieutenants placed in a difficult position. However, it isn't always possible to plan for personal time off as unforeseen circumstances may occur. The City wants a twenty-four (24) hour rather than a twelve (12) hour advance notice be given by the officer. The twelve (12) hour notice is not sufficient to provide the Department with the opportunity to cope. Chief Boulanger testified that from a management standpoint it would be better method of handling the personal leave time allocations. The lieutenants may or may not even require the twelve (12) hour notice and this may place the lieutenants in a position where they do not want to be. Management of manpower needs is improved. Often, the Chief isn't contacted before the personal leave is granted by the lieutenant. Tighter control is required. However, the Chief could not cite specific instances where the twelve (12) notice was a problem. However, he believed that it could be a problem.

The City also wants to reduce the annual personal time allowed from forty-eight (48) to twenty-four (24) hours. At the present time the Police Patrol unit officers receive twenty-four (24) hours personal leave with no contractual limit on increments. In the Command unit, officers receive five (5) personal days.

The City also wants to require that any leave time taken must be in a minimum of four (4) hour blocks. In the past, employees have been taking two or three hour leaves despite the fact that the Contract requires four (4) hour increments. It is difficult for the City to keep track of personal leave time since it is being utilized in many situations in increments of less than two hours.

The City does not wish to deny a firefighter the time he accumulates, only that the City will have the right to deny specific requests for time off.

The City wants the ability to manage the resources of the City. If fire fighters have the unlimited right to take time off at any time they want to, without anybody's approval or the approval of one of their own union, then it really is a meaningless clause and it puts the City at the Union's mercy as to how to schedule manpower.

Firefighters are permitted to trade time with other fire fighters. This has not been halted.

Union's Position

It is the Union's position that the City has presented no evidence to justify a need for a change in the contract language applicable to personal leave. The Chief or his designee already have the right to approve or deny personal leave.

Neither City Manager Holmes or Chief Boulanger were able to identify any problems creating a need for a change in the contract.

Union President Leskun testified that in his experience there has not been any problem with the twelve (12) hour notice requirement. As a lieutenant who is responsible for his shift and manpower requirements he has not had a problem. Twelve (12) notice hours is plenty of time. In fact, replacements are usually taken care of within one hour. In 99 per cent of the time it isn't necessary to have even twelve (12) hours advance notice which isn't necessary.

Also, often, men will report to work just to see if there is sufficient manpower on duty and then decide to take off for some personal time. Otherwise, he might stay on for the full shift. This is to the City's advantage to allow the firefighter to take off. Under the City's proposal, the firefighter must give twenty-four (24) hours advance notice.

A firefighter is tied up for a twenty-four (24) hour day whereas a police officer is tied up for only eight hours at a time. If a firefighter needs a specific time off, he needs it and it cannot be changed.

Personal leave is "personal" and important to the firefighter.

As to the problem of taking time off in four (4) hour increments, the Union believes it would be better for the City to allow only that time off that is required for the firefighter to transact his business or take care of his "personal" business. Also, firefighters may take sick time instead of personal leave time.

The comparability evidence shows that all but one of the eighteen (18) comparables have equivalent or more personal leave time than does Inkster. Not even the City's police units support its last best offer since the patrol unit has personal leave of three work days annually, and the command unit has five work days annually.

For these reasons, the Union requests that its last best offer be adopted by the Panel.

Discussion

Of the sixteen 16 municipalities permitting personal leave time (not reduced from sick time) shown in Union Exhibit 81, nine (9) grant more than three (3) days and five (5) grant two (2). The City has not presented any evidence that would cause the Panel to reduce the number of hours from forty-eight (48) to twenty-four (24). As a matter of fact, not one bit of testimony was related to the problem of the firefighter having too much personal leave time.

There was no evidence to show that fire fighters are abusing the personal leave provisions of the contract. The City stated that the accounting problem inherent with taking small amounts of personal leave time was causing a problem. The Panel finds no good reason to reduce the number of personal leave hours from forty-eight (48) to twenty-four (24). Therefore, it is the judgment of the Panel that the Union's last best offer should be adopted.

Award

The Union's last best offer that the language in Article XXV of the expired collective bargaining agreement providing for "personal leave" should be retained is adopted by the Panel.

Grady Holmes
6/16/89 (Dissent)
Grady Holmes
City Delegate

Kenneth Grinstead
6/16/89
Kenneth Grinstead
Panel Chairman

James E. Leskun
6-16-89
James Leskun
Union Delegate

Table 1

Personal Days Granted in Comparable Municipalities

<u>Municipality</u>	<u>Firefighters Personal Leave Days Granted</u>
Allen Park	3 days annually
Dearborn Heights	2 days annually
East Detroit	5 days annually
Ferndale	(none)
Garden City	3 days annually
Hazel Park	1 day annually
Lincoln Park	4 days annually
Madison Heights	2 days annually if 15 years of service or more; otherwise, 1 day
Melvindale	3 days annually
Plymouth	2 days annually
River Rouge	2 days annually
Southgate	3 days annually
Trenton	2 days annually
Wayne	3 days annually
Westland	3 days annually
Wyandotte	(Can charge 2 days annually against sick time)
Ypsilanti	(Can charge 3 days annually against sick time)
Ypsilanti Township	3 days annually
Inkster Police Patrol	3 days annually (
Inkster Police Command	5 days annually

*One (1) firefighter day equals twenty-four (24) hours.

**One (1) police patrol or command officer day equals
eight (8) hours.

Extension Clause

This is a City issue and is classified by the parties as economic. The language in the expired collective bargaining agreement related to this issue is:

ARTICLE LIV. EXTENSION

In the event that negotiations relative to proposed amendments or modification of this agreement shall extend beyond the set expiration date of this agreement, the terms and provisions of this agreement shall remain in full force and effect, pending agreement upon a new modified or amended contract between the parties.

City's Last Best Offer

Extension Clause (Article LIV - Extension)

City Position - The City would eliminate this article.

Union's Last Best Offer

The Union's last best offer is to retain the status quo.

Positions of the Parties

City's Position

It is the position of the City that the presence of the extension clause has delayed negotiations because Union members are protected by the extension provisions of the prior agreement. Elimination of the extension clause, the City argues, would speed up negotiations because of the deadline of the expiration date. The City also believes the extension clause has provided the Union with the opportunity to present outrageous, rather than reasonable, demands during the collective bargaining process. Removal of the extension clause would eliminate the fire fighters' ability to rely upon previously negotiated contract terms while attempting to negotiate new unrealistic demands.

Union's Position

Since this is a City issue, it carries the burden of providing a rationale for proving the need for a change in the extension clause. The City did not show how the elimination clause would expedite the bargaining process. Evidence showed that the Union has never canceled, delayed, or rejected a bargaining session. In fact, there is no benefit to the Union to delay settling.

It is apparent the City believes the absence of an extension clause would create Union fear about what might happen after the expiration date of the contract and thus settle a new contract before the expiration date. If the City intended to maintain the provisions of an expired contract, there would be no need to eliminate the clause. This fear would arise only by the City making, or threatening to make, some type of adverse unilateral change in employment conditions.

A contract extension clause eliminates the need to depend on statutory protection against unilateral changes. Removal of the clause would open the door to unilateral changes by the City and consequent litigation.

Both the police patrol and police command unit contracts have the same extension clauses as the fire fighters. Comparability data strongly supports the Union's position.

Discussion

The City declined to reveal its intentions if the contract expired before negotiations were completed for a subsequent contract. However, the City believes such an event would not occur because negotiations would be complete before the prior contract expired.

The police patrol unit and the police command officers unit each have the same extension clause in their contracts. In Union Exhibit No. 82 the following is shown:

Eight (8) comparable municipalities have the same or nearly identical extension language in their fire fighter contracts as does Inkster.

Three (3) municipalities have a provision that the contract may be extended by mutual consent.

Two (2) municipalities have provisions providing that the contract may be terminated on thirty (30) days written notice.

Five (5) municipalities have no such clause.

A major question is: Will elimination of the extension clause encourage the Union to file for Act 312 Arbitration?

MCL 423.243, Section 13 provides the following:

Sec. 13. During the pendency of proceedings before the arbitration panel, existing wages, hours and other conditions of employment shall not be changed by action of either party without the consent of the other but a party may so consent without prejudice to his rights or position under this act.

It is readily apparent that any bargaining unit subject to Act 312, may utilize Section 13 to extend the provisions of a collective bargaining agreement that is subject to expiration. Consequently, with no such provision in a contract, any unit subject to Act 312 would be encouraged to file for arbitration merely to protect their current contract provisions.

There is no evidence that the Union has ever delayed the collective bargaining process because of the presence of the extension clause.

It is the opinion of the Panel that the City has not shown sufficient reasons to order the removal of the extension clause from the contract.

AWARD

The last best offer of the Union is adopted. The following provision is to remain in the parties' contract.

ARTICLE LIV. EXTENSION

In the event that negotiations relative to proposed amendments or modification of this agreement shall extend beyond the set expiration date of this agreement, the terms and provisions of this agreement shall remain in full force and effect, pending agreement upon a new modified or amended contract between the parties.

Grady Holmes
6/16/89 (Discont.)
Grady Holmes
City Delegate

Kenneth Grinstead
6/16/89.
Kenneth Grinstead
Panel Chairman

James E. Leskun
6-16-89
James Leskun
Union Delegate

Hours/Overtime

This is a City issue and is economic. The language in the expired collective bargaining agreement the City wishes to change or eliminate is shown below:

ARTICLE VII. HOURS OF WORK

- (a) The hours of duty shall be so established by the fire chief that the average weekly hours of duty in any year, other than hours during which such members may be summoned and kept on duty because of a conflagration of major emergencies, shall not exceed fifty-four (54) hours. However, it is understood that employees are scheduled on a fifty-six (56) hour workweek basis. In lieu of overtime for these additional hours, employees shall receive four (4) additional days off per year (quarterly leave days) to be taken pursuant to the Fire Chief's memorandum dated November 28, 1983.

ARTICLE IX. OVERTIME

- (a) Overtime pay shall be paid for employees of the Firefighting Division for all work in excess of their regularly scheduled work day (24 consecutive hours) or workweek (54 hours). In addition, employees shall be paid overtime for all actual hours worked in excess of two hundred sixteen (216) hours in a twenty-eight (28) consecutive day period (cycle). Such overtime shall be paid at one and one-half (1-1/2) the employee's prevailing hourly rate, which for the purpose of this Agreement shall be deemed to be the annual salary for such employee, divided by 2,808 hours.

The City's proposes the following contract language).

Hours and Overtime (Articles VIII(a) Hours of Work and IX(a) Overtime)

City Position - The City would amend Article VIII(a) to read as follows:

"The hours of duty shall be established by fire chief in conformity with the requirements of the Fair Labor Standards Act. The Chief may schedule employees to work, at his discretion in conformity with the requirements of the Fair Labor Standards Act.

(Note: Eliminate provision that employees shall receive four (4) additional days off per year (quarterly leave days) to be taken pursuant to the Fire Chief's Memorandum dated November 28, 1983.)

The City would amend Article IX(a) to read as follows

"Overtime pay shall be paid for employees of the firefighting division in conformity with the overtime requirements of the Fair Labor Standards Act."

Union's Last Best Offer

The Union proposes that Article VIII, Section (a) and Article IX, Section A, be retained as now existing in the expired collective bargaining agreement. (Of course the Union's has an issue which seeks to modify the language in Article IX, Section (a) to bring it into conformity with actual practice).

City's Position

The City wishes to obtain the option of eliminating the twenty-four (24) hour shift and any overtime as it relates to the twenty-four (24) hour shift. The City desires greater flexibility in scheduling. At the Hearing, Chief Boulanger described, as an example, a ten (10) and fourteen (14) hour schedule. The Chief believed this type schedule would be better than the present twenty-four (24) hour shift. He illustrated the benefits in his testimony.

The Union argues incorrectly that a 10/14 schedule, as proposed by Chief Boulanger, would violate the requirements of Public Act 125 of 1925, MCL 123.841. Specifically, the Union asserts that, Act 125 would be violated because it requires fire fighters to be on duty for not "more than twenty-four hours, or to be off duty less than twenty-four consecutive hours out of any forty-eight hour period. However, the Public Employees' Relations Act, MCL 423.201 et. seq. prevails over conflicting legislation, municipal charters and ordinances regarding public employment matters. PERA is the dominant law regulating labor relations and public employment. It is the City's position that a 10/14 schedule is legally permissible.

The City requests the Panel to adopt its last best offer concerning Articles VIII(a) and IX(a) which governs hours and overtime.

Union's Position

The Union desires to retain the status quo on this issue and to retain the language in Articles VIII(a) and IX(a). The City's offer would give the Chief complete discretion over work hours and the work schedule. The employer could unilaterally impose any work hours or work schedule it wishes without any need to bargain with the Union. The only limitation imposed upon the City would be the Fair Labor Standards Act.

The expired contract language and current work schedule are in compliance with the FLSA. The comparability evidence overwhelming supports the Union's position. Virtually every fire department works a twenty-four (24) hour schedule. No evidence was presented at the Hearing to show that other fire department have contract language giving the employer control over the hours of work.

Giving the employer complete control over hours of work and work schedules is extreme and would constitute a waiver of the Union's right to bargain over hours of work.

It is the Union's position that the so-called 10/14 work schedule is illegal under state Act 125. Perhaps this is the reason most fire departments work a twenty-four (24) hour schedule. The City presented no justifications for its 10/14 work schedule.

The City's proposal to change Article IX(a) would amount to a reduction in the current overtime payment provision and practice. Overtime would be required only when required by the FLSA -- where an employee has actually worked more than 212 hours in a 28-day cycle.

The City's last best offer should be rejected and the Union's offer of maintaining the status quo should be adopted by the Panel.

Discussion

The City's last best offer in response to the Union's issue on hours and overtime and its last best offer to its own issue on hours and overtime have a connection with the manpower issue.

During the Hearing, Chief Boulanger testified at length (Tr., Vol. IX, pp. 55-102) about a new schedule for Inkster fire fighters. (Fire fighters would report for work at 8:00 a.m. and work ten hours until 6:00 p.m. A second contingency of fire fighters would report for work at 6:00 p.m. and work until 8:00 a.m. the next day. This proposed schedule is identified as a 10/14 schedule). Under the current schedule, fire fighters report at 8:00 a.m. and are on duty until 8:00 a.m. the following day.

The City admitted that the schedule Boulanger presented was only an example. The City stated that it was not asking the Panel to affirm the schedule. It was clear that the City wanted the language in both Article VIII, Section (a), and Article IX, Section (a) changed so that management could create schedules at its discretion. Of course, any schedule would necessarily require compliance with State and Federal labor standards.

The Union presented an exhibit (Union Ex. No. 84) showing the weekly schedules of the nineteen comparable municipalities.

The essential thrust of the City's last best offers on this issue is to allow the management of the fire department complete control over scheduling hours of work and establishing work schedules, providing of course that the schedules do not violate either State or Federal law. Some reasons were advanced by the employer to show the benefits of a 10/14 schedule.

The problem the Panel has with the City's offer is that not only gives the employer complete control over schedules but it would permit a radical change in scheduling. The illustrated 10/14 schedule is not in conformity with scheduling practices in neighboring, comparable fire departments.

Hours of work is a mandatory subject of collective bargaining. PERA contemplates bargaining over the subject to the end that both management and union have a voice in the final decision. The City is asking the Panel to take away this right during the period of the three-year contract and permit the City to adopt any schedule it desires.

Award

Union's last best offer on the issue proposed by the City for Hours/Overtime is adopted by the Panel. The language shown below is to be retained the new collective bargaining agreement.

ARTICLE VII. HOURS OF WORK

- (a) The hours of duty shall be so established by the fire chief that the average weekly hours of duty in any year, other than hours during which such members may be summoned and kept on duty because of a conflagration of major emergencies, shall not exceed fifty-four (54) hours. However, it is understood that employees are scheduled on a fifty-six (56) hour workweek basis. In lieu of overtime for these additional hours, employees shall receive four (4) additional days off per year (quarterly leave days) to be taken pursuant to the Fire Chief's memorandum dated November 28, 1983.

ARTICLE IX. OVERTIME

- (a) Overtime pay shall be paid for employees of the Firefighting Division for all work in excess of their regularly scheduled work day (24 consecutive hours) or workweek (54 hours). In addition, employees shall be paid overtime for all actual hours worked in excess of two hundred sixteen (216) hours in a twenty-eight (28) consecutive day period (cycle). Such overtime shall be paid at one and one-half (1-1/2) the employee's prevailing hourly rate, which for the purpose of this Agreement shall be deemed to be the annual salary for such employee, divided by 2,808 hours.

Grady Holmes
6/16/89 (Dissent)
Grady Holmes
City delegate

Kenneth Grinstead
6/16/89
Kenneth Grinstead
Panel Chairman

James C. Leskun
6-16-89
James Leskun
Union Delegate

Table 1

Comparison Scheduled Weekly and Annual Hours
for Fire Fighters in Nineteen Comparable Municipalities

<u>Municipality</u>	<u>Week Hours</u>	<u>Annual Hours</u>
East Detroit	56	2912
Plymouth	56	2912
Wayne	56	2912
Westland	56	2912
Ypsilanti Tp.	56	2912
IMVSTER	56 *	2808
Madison Heights	54	2808
Ypsilanti	54	2808
Garden City	54	2808
Ferndale	53 **	2750
Trenton	53 **	2750
Hazel Park	53	2756
Melvindale	53	2756
Allen Park	50.4	2620.8
Lincoln Park	50.4	2620.8
River Rouge	50.4	2620.8
Southgate	50.4	2620.8
Wyandotte	50.4	2620.8
Dearborn Heights	48	2496

* Weekly schedule is based on 56 hour work week: actual annual hours, however, total 2808

** Weekly schedule is based on 54 hour work week, however hourly rate computed on 53 hour basis.

Optical and Dental Plan

This is a City Issue and economic. There is no provision in the expired collective bargaining specifically describing either optical or dental benefits. However, in Article XXXXVII there is what the parties have referred to as a "me-too" clause. It is:

ARTICLE XXXXVII. OPTICAL AND DENTAL PLAN

If any other union or association of City employees shall become entitled to or provided with a dental, and optical plan, or a dental, or optical plan, in addition to the present Blue Cross Medical Plan, the Association members shall be similarly entitled to coverage by such a plan.

Article XXVII(f) of the Police Patrol contract provides the following:

ARTICLE XXVII.

- (f) Dental Changes Effective on July 1, 1988, the City agrees to pay six (6) cents per hour per union member for dental coverage.

City Klobuchar testified that the Police dental insurance coverage is for 2,080 hours. (\$124.80 maximum each year). The employee must be part of the "group" and contribute the balance of the dental insurance costs.

The City wishes to eliminate the "me-too" clause in the parties' collective bargaining agreement and add a new article entitled "Dental Plan."

City's Last Best Offer on Optical and Dental Insurance

Shown below is the language for the new fire fighters' dental insurance as the City's last best offer.

Effective on January 1, 1989, the City agrees to pay a maximum of \$125.00 per year on behalf of each employee who elects in writing to participate in a city sponsored group dental program. The selection of the dental carrier shall be the sole responsibility of the City. It is understood that the employee shall pay the difference between the \$125.00 per year and the cost of the group dental program.

Union's Last Best Offer on Optical and Dental Insurance

The Union's last best offer on optical and dental insurance is to retain the status quo.

Discussion

The City is opposed to the use of a "me-too" clause in a collective bargaining agreement. City Manager Holmes testified it was his belief that each bargaining unit should negotiate their own benefits and not ride on the "coat tails" of other bargaining units. Nevertheless, the City has offered to pay the fire fighters the same benefit level for dental insurance as received by Inkster Police Officers.

It is the Union's position that the "me too" clause has been a part of the Contract for twelve (12) years and should be retained. Also, this is the first time the Union has been able to capitalize on the "me too" clause. Additionally, the language proposed by the City is not identical to the provisions the Union would gain under the "me too" clause. That Police Patrol contract clause was effective July 1, 1988, while the City's proposed language for the fire fighters would commence benefits on January 1, 1989. Thus, the Union would suffer a substantial cutback in the dental benefit the fire fighters would otherwise be entitled to under the "me too" clause.

It is the Panel's opinion that the "me too" clause should be eliminated and the City's last best offer on dental insurance be adopted. The language in the Police Patrol contract awards dental coverage on a per hour worked basis. If the same language is applied to the fire fighters as the "me too" clause permits they would receive more dental benefits than the Police because fire fighters work more hours.

AWARD

The City's last best offer on the optical and dental issue is adopted.

Effective on January 1, 1989, the City agrees to pay a maximum of \$125.00 per year on behalf of each employee who elects in writing to participate in a city sponsored group dental program. The selection of the dental carrier shall be the sole responsibility of the City. It is understood that the employee shall pay the difference between the \$125.00 per year and the cost of the group dental program.

Grady Holmes
6/16/89
Grady Holmes
City Delegate

Kenneth Grinstead
6/16/89
Kenneth Grinstead
Chairman

James E. Leskun (DISSENT)
6-16-89
James Leskun
Union Delegate

Residency

This is a City issue and is economic. The language in the expired collective bargaining agreement is shown below:

ARTICLE XXXXII. RESIDENCY

All persons covered by the terms of this Agreement must, as a condition of continued employment, live and maintain residency within Wayne County, Michigan; except that to the east of the City of Inkster, I-75 from where it intersects Fort Street north to 8 Mile Road shall be the eastern boundary. Effective October 1, 1982, new employees shall be required to live within the corporate limits of the City of Inkster.

City's Last Best Offer

The City would amend Article XXXXII to provide the following language:

All persons covered by the terms of this agreement must, as a condition of continued employment shall maintain legal and physical residency within the jurisdictional limits of the City of Inkster. Each current fire fighting employee presently living outside of the jurisdictional limits of the City of Inkster shall be required to move into the jurisdictional limits of the City of Inkster within eighteen (18) months of the rendering of the arbitration award and shall receive from the City the sum of Five Hundred (\$500.00) Dollars to defray the cost of moving into the City upon presentation of documentation that such move has been completed.

Union's Last Best Offer

The Union's last best offer is to retain the residency language in Article XXXXIII of the expired collective bargaining agreement.

Discussion

The Inkster City Council has adopted a resolution requiring all City employees to live within the jurisdictional limits of the City. All members of the AFSCME bargaining unit do live within the City although there is no residency requirement in the AFSCME contract. At least one non-union employee, City Treasurer Klobuchar, does not live in the City, but is required to move into the City if he decides to move from his current residence. The City Manager, Fire Chief, and Deputy Chief now live within the City limits. Fourteen of the eighteen fire fighters live within the City limits. Therefore, the City's proposal would affect four fire fighters.

City Manager Holmes testified that, based on his experience of working in Inkster, employees who live in the City have a greater commitment to the livelihood of the City and are more dedicated to their jobs. He also stated that citizens are better served by resident employees. Holmes admitted that he had not conducted a study to ascertain whether fire fighters who live outside the City are not performing as well as those who live inside the City.

Fire Chief Boulanger testified that fire fighters who live within the City are physically closer to the fire station and therefore can respond more rapidly if recalled. He also believes, like Holmes, that resident employees have more interest in community events and problems. However, he admitted that no actual situation has occurred that provides a link between employee effectiveness and not living in the City. He also admitted that a fire fighter who does not live within the City limits might possibly live closer to the fire station than a fire fighter who lives outside the City.

James Leskun, Union President, testified that the language in the fire fighter's expired collective bargaining agreement is more restrictive than in the Police Patrol contract. That language is shown below:

ARTICLE XXXV. RESIDENCY

All persons covered by the terms of this Agreement must, as a condition of continued employment, live and maintain residency within Wayne County, Michigan; except that to the east of the CITY OF INKSTER, I-75 from where it intersects Fort Street north to 8 Mile Road shall be the eastern boundary.

The final sentence of the Fire Fighter's Union contract in Article XXXXIII: "Effective October 1, 1982, new employees shall be required to live within the corporate limits of the City of Inkster" does not appear in the Police Patrol Contract. Thus Leskun's contention that not only is the Fire Fighter's current language on residency more restrictive than the Police Patrol, but the City's last best offer would make it even more restrictive by requiring all fire fighters to live within the City's jurisdictional limits.

Leskun also testified that he believed it to be unfair to offer employment under one residency policy and then change that policy at a later time. One of the factors fire fighters considered upon originally applying for and accepting the position was the residency requirement in effect at that time. Fire fighters now live where the City promised them they could live. They accepted the job on the basis of the residency requirement existing at that time.

Leskun testified that he could not remember any problem of a non-resident fire fighter failing to respond in timely fashion to a recall because of where he lived. Nor has he ever detected any less commitment of non-resident fire fighters to their job responsibilities.

Position of the Parties

City's Position

The City's last best offer should be adopted. Individuals who live in the City are more dedicated to their jobs and to their livelihood. The Citizens of the City would be better served if the fire department employees were residents. Resident fire fighters know the City and this gives the citizens a better sense of security.

Resident fire fighters would be physically closer to the fire station and can be recalled quicker in an emergency situation. Also, resident fire fighters have a vested interest in the welfare of the community. Requiring only four fire fighters to move into the City would not impose a heavy burden.

Union's Position

The City presented no evidence sufficient to disturb the long standing county-wide limitation on residency applicable to pre-1982 hires. The provision was recently amended to require all new-hires to reside in the City. The current language will eventually require all fire fighters to live in the City.

The City's last best offer changes the rule. Pre-1982 hires accepted employment based on a residency policy. Changing the rule creates a new condition of employment not in place when they agreed to become an Inkster fire fighter. These pre-1982 hires would be required to uproot their families from their current homes, schools, churches, neighborhood friends, etc, and move into the City within 18 months. Such a change would violate legitimate employee expectations, undermine their future plans, and uproot families. These cannot be made acceptable by the City's \$500 offer for moving expenses.

The City has not established a legitimate need for their offer. There was no evidence presented at the Hearing to establish that a resident fire fighter is more committed to the community, or than non-resident fire fighters are less committed. The Chief admitted that he has never had a problem with emergency callback of non-resident fire fighters.

City Manager Holmes comments regarding alleged citizen interest implicated the police rather than fire fighters.

The comparability evidence does not support the City's offer.

Both police units have the same residency boundary limitations as the fire fighters. However, the police do not have an in-city residency requirement for new hires. Thus the fire fighters' current residency restrictions exceed those of the police.

Comparables

The Union submitted the data in Table 1 (Union Ex. No. 105) for comparison purposes on residency requirements.

The Applicable Criteria in MCL 423.239 and Residency

- (a) The lawful authority of the employer.

A public employer and a public employee union may enter into a residency requirement.

- (b) Stipulations of the parties.

The parties have not stipulated to any agreement regarding residency of firefighters. It is a proper subject in this Arbitration Hearing.

- (c) The interests and welfare of the public and the financial ability of the unit of government to meet those costs.

This is a City proposal. The City has offered the opinion of the City Manager and the Fire Chief that the City is better served by fire fighters who reside within the City's jurisdictional limits. However, neither witness was able to produce evidence to show that their opinions were in fact true.

The cost to the City for their proposal would be \$2,000. It is within the financial ability of the City.

- (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.

Of the eighteen municipalities with which Inkster is compared in Table 1, eight require their fire fighters to live within the City limits. (One City, Dearborn Heights, excuses fire fighters from this restriction during the final ten (10) years of their service).

Hazel Park has a provision similar to that of Inkster; fire fighters employed after a specific date must reside within the City.

Three of the municipalities (Ferndale, Madison Heights, and Westland) have no residency requirements.

Six of the municipalities (East Detroit, Melvindale, Plymouth, Wayne, Ypsilanti, and Ypsilanti Township) require residency within a specific geographic area but not necessarily within the municipality's jurisdictional limits.

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

This criterion is not applicable to this issue.

(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.

The City has offered to pay each non-resident fire fighter \$500 to assist in defraying the cost of moving into the City. The City would allow eighteen (18) months to the non-resident fire fighter to make the move. No evidence was introduced to show how "the continuity and stability of employment" would be enhanced by its proposal. Nor did the Union show that if a fire fighter were to be required to move into the City that he would quit his employment with the City.

(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

There have been no changes during the pendency of this arbitration proceeding in regard to residency requirements within the City of Inkster. Changes regarding the "foregoing circumstances" have been reported and considered where appropriate. No changes regarding comparability of residency requirements in other municipalities were reported.

(h) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours, conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

A factor "traditionally taken into consideration" is the comparison of working conditions of other bargaining units within the City. Here, the AFSCME unit contract has no residency requirement. The Police Patrol contract has a residency requirement that is less restrictive than the residency provision in the expired fire fighter contract. The City's last best offer would impose a residency requirement that exceeds that of the expired contract, the AFSCME unit, and the Police Patrol unit.

Of the eighteen (18) comparable municipalities shown in Table 1, eight have the same residency requirement as sought by the City in its last best offer. However, of the eighteen (18), ten (10) have residency requirements that are similar to, or less restrictive than in the expired Inkster fire fighter contract.

The City's last best offer would impose a residency requirement that is not comparable with the Police Patrol unit.

The City has offered opinion, and no evidence, that City dwelling fire fighters respond quicker to alarms or that outside hires lack a sense of solidarity with the City. There is no evidence that a fire fighter's home address correlates with the quality of his job performance or his ability to respond in timely fashion to a recall.

AWARD

The Union's last best offer on the residency issue is adopted by the panel. The residency language in the expired collective bargaining agreement is to be continued. That language is:

ARTICLE XXXXII. RESIDENCY

All persons covered by the terms of this Agreement must, as a condition of continued employment, live and maintain residency within Wayne County, Michigan; except that to the east of the City of Inkster, I-75 from where it intersects Fort Street north to 8 Mile Road shall be the eastern boundary. Effective October 1, 1982, new employees shall be required to live within the corporate limits of the City of Inkster.

Grady Holmes
6/16/89 (Dissent)
Grady Holmes
City Delegate

Kenneth Grinstead
6/16/89
Kenneth Grinstead
Chairman

James E. Leskun
6-16-89
James Leskun
Union Delegate

Table 1

Contractual Residency Requirement for Fire Fighters
in Nineteen Comparable Municipalities

<u>Municipality</u>	<u>Residency Requirement</u>
Allen Park	City limits
Dearborn Heights	City limits; last 10 years of service none.
East Detroit	Anywhere in Macomb County; Harper woods and the Grosse Pointes
Ferndale	None
Garden City	City limits
Hazel Park	Employees hired prior to 7/1/84 none; thereafter City limits
INKSTER	Employees hired prior to 10/1/82 Wayne County except beyond designated eastern boundary *; thereafter City limits
Lincoln Park	City limits
Madison Heights	None
Melvindale	20 mile radius from the City
Plymouth	25 mile radius from City Hall
River Rouge	City limits
Southgate	City limits
Trenton	City limits
Wayne	West of Schaefer/Coolidge, south of 14 mile Road, east of U.S. 23, north of the southern Wayne County line
Westland	None
Wyandotte	City limits
Ypsilanti	Employees hired prior to 7/1/75 none; thereafter, a 25 mile radius from the City
Ypsilanti Township	10 mile radius from any station

* Eastern boundary; east of the City, I-75 from where it intersects Fort Street north to 8 Mile Road.

Forty (40) Hour Employees

This is a City issue and it is economic. The City proposes to eliminate Article IX(b); Article XVI; XXIII(b), and (c); and Article XXIV(b). The City also proposes to eliminate the following language from Article XXIII(k): "but not to exceed 150 days of payment for employee working 40-hour work week."

The Expired Language

ARTICLE IX OVERTIME.

- (b) Overtime pay shall be paid employees of the Fire Prevention Division for all work in excess of their regularly scheduled work day (8 hours) or workweek (40 hours). Such overtime shall be paid at one and one-half (1-1/2) the employee's prevailing hourly rate, which, for the purposes of this Agreement shall be deemed to be the annual salary for such employees, divided by 2,088.

ARTICLE XVI HOLIDAY PROVISIONS.

- (a) Employees normally work a forty (40) hour week shall be off with pay on the following holidays : New Year's Day, Lincoln's Birthday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day, and the last four (4) hours of the employee's regular shift on Good Friday, December 24th, and December 31st, respectively - provided December 24th and December 31st are scheduled work days.
- (b) Other firefighting personnel shall receive 160 hours of additional compensation per year at their normal hourly rate of pay in lieu of holiday time off.

ARTICLE XXIII SICK LEAVE.

- (b) For Fire Department personnel with a normal workweek of forty (40) hours, the amount of sick leave credit shall not exceed one and one-half (1-1/2) days per month nor eighteen (18) days per year for each employee. The accumulation of sick leave credit shall not exceed two hundred (200) days for any employee.
- (c) An employee who, through promotion, reclassification, or reassignment, is assigned a change in his normal work schedule, from 56 hours to 40 hours or from 40 hours to 56 hours, shall have sick leave benefits accrued and computed in the following manner: Every 24-hour sick day shall equal three (3) 8-hour sick days and vice-versa.

ARTICLE XXIV. VACATION LEAVE.

- (b) An employee, who through promotion, reclassification, or reassignment, is assigned a change in his normal work-week schedule, from 56 hours to 40 hours, or from 40 hours to 56 hours, shall have vacation benefits accrued and computed in the following manner : every 24-hour vacation day shall equal three (3) 8-hour vacation days, and vice-versa.

ARTICLE XXIII. SICK LEAVE

- (k) Upon retirement of an employee, or upon death, the employee's estate, shall receive cash payment at his current daily regular rate of pay, excluding premium rates, for 75% of his accumulated sick time -- but not to exceed 150 days of payment for employee working 40-hour workweek, or 93 days for employees working a regular workweek in excess of 40 hours, (calculated based on 75% of 125 days). No payment is to be made for unused sick leave upon separation from City Employment except retirement or death.

City's Last Best Offer

The specific language of the City's last best offer is shown below:

Forty (40) Hour Employees (Articles IX(b) - Overtime, XVI - Holiday Provisions, XXIII (b), (c) and (k) - Sick Leave, and XXIV (b) - Vacation Leave)
City Position - Eliminate Article IX(b), XVI, XXIII(b) and (c) and XXIV(b) and eliminate the following language from Article XXIII(k): "but not to exceed 150 days of payment for employee working 40-hour work week."

Essentially, the City is proposing to eliminate all contract language making reference to forty-hour employees. In addition, the City is requesting that the following language be eliminated from Article XXIII(k): "but not to exceed 150 days of payment for employee working 40-hour work week."

Union's Last Best Offer

The Union's last best offer is to retain the status quo.

City's Position

There are no forty-hour employees within the fire fighters' bargaining unit. Consequently there is no need to maintain the language. Elimination of the language is necessary in order to be consistent with the City's previously stated position on the issues of hours and overtime, as they related to the requirements of the Fair Labor Standards Act. The City's last best offer should be adopted.

Union's Position

The City proposes to eliminate any language provisions dealing with overtime pay, holiday benefits, and sick benefits for forty-hour employees. Also, the City wishes to eliminate language related to conversion of sick time when employees go from 56 hours to 40 hours, or vice versa, and the sick time payoff formula for forty-hour employees.

City Manager Holmes conceded that the real reason for the City's proposal was to obtain unilateral control over all hours and work schedules by eliminating all related contract provisions. This proposal is simply an adjunct to the City's "Hours and Overtime" issue. Holmes admitted the City wants the flexibility to utilize whatever schedule is established consistent with the Fair Labor Standards Act.

The cited provisions the City wishes to change have in fact been utilized in recent years when a fire chief was returned from his forty-hour position to that of a 56-hour lieutenant position. The provisions could be used in the future if: 1) a new forty-hour position is created in the bargaining unit; 2) there is another reclassification/demotion decision; 3) if a fire fighter is placed in a light duty position; and, 4) if a fifty-six hour fire fighter is promoted to either the rank of deputy chief or chief. The contract provisions will govern the conversion of accrued sick and vacation time.

The Union believes that the elimination or modification of these provisions would allow the City to schedule "at will." The City admits that if the contract provisions cited are eliminated or modified, and it decided to create a forty-hour position, it would be required to negotiate provisions that are applicable to that position. The Union believes that if the provisions are retained and the City does decide to create forty-hour positions, it would be unnecessary to renegotiate these contract provisions. The present contract language has served its purpose in the past and it should not be eliminated.

Also, there have been times when a fire fighter has been placed on "light duty" and a forty-hour schedule for a limited period of time. Elimination of these provisions would not protect this individual.

Fire fighters work 700 to 800 hours more each year than a forty-hour employee. A fire fighter's workday is three times the length of a normal eight hour workday. If a fire fighter puts in the additional hours he should be entitled to receive sick benefits that reflect the extra hours worked.

The Union also believes that if these Articles and Sections of the Contract are eliminated or modified and the City does desire to change work schedules it would need to bargain over the matter anyway.

If the City believes the conversion formula is inequitable, it should propose a modification rather than complete elimination. The Panel should reject the City's last best offer on forty-hour employees and the Union's adopted.

Discussion

The City's proposes to eliminate or modify the above cited Articles and Sections of the expired collective bargaining agreement. Their position is based on three reasons: 1) there are no forty-hour employees in the fire department bargaining unit, thus there is no need for the language; 2) it is unfair when a 56-hour employee is transferred to a 40-hour position; and, 3) the City wishes to be in compliance with, and have the flexibility to schedule hours pursuant to, the Fair Labor Standards Act.

It is correct that at the present time there are no forty-hour employees in the bargaining unit.

Under the sick pay provision, a 56-hour workweek employee earns nine (9) sick days a year. Those are 24-hour days. When transferred, he receives three, 8-hour sick days for each 24-hour day. If an employee with credit for nine sick days is transferred to a 40-hour position in the bargaining unit, he would receive credit for twenty-seven, eight (8) hour sick days. From the its standpoint, the City argues, this is an inequitable conversion according to the earnings of a 40-hour employee. It is inequitable to both the City and the other employees. Recently, a Fire Chief was transferred back into the bargaining unit as a lieutenant and the conversion formula was applied.

The cited provisions of the collective bargaining agreement have been utilized in recent years. Furthermore, there is evidence of the possibility that additional use will be made of the provisions in future years.

The Union is correct that if the City believes the conversion provisions are unfair, the correct approach is to request negotiations on that question, not total elimination.

This issue is tied-in with the City's issue on "Hours and Overtime" which was rejected by the Panel. For the foregoing reasons, the Panel adopts the Union's last best offer on the City's issue of "Forty-hour Employees."

AWARD

The last best offer of the Union on the City issue of "Forty-hour Employees is adopted by the Panel.

Articles IX, section (b); Article XVI; Article XXIII, sections (b) and (c); and, Article XXIV section (b) are to remain in the Contract. Article XXIII, section (k) shall not be changed and shall remain in the Contract.

Grady Holmes
6/16/89 (Dissent)
Grady Holmes
City Delegate

Kenneth Grinstead
6/16/89
Kenneth Grinstead
Panel Chairman

James C. Leskun
6-16-89
James Leskun
Union Delegate

Bargaining Committee

This is a City issue and is non-economic. The language in the expired collective bargaining agreement is shown below.

ARTICLE II. REPRESENTATION - BARGAINING COMMITTEE

- (a) The employees shall be represented by a committee composed of five (5) employees, one of whom shall be the President of the Association, who shall be elected in any manner determined by the employees. This committee shall be selected from a group of nominees on the seniority list. Additional representation may be provided by the Local, Council and/or International of the Union.

City's Proposal on Bargaining Committee

It is the City's position that Article II(a) should be amended to read as follows:

- (a) The employees shall be represented by a committee composed of three (3) employees.

Union's Proposal on Bargaining Committee

The Union's final proposal on this non-economic issue is to retain the status quo.

Discussion

The City argues that it does not want to be required to permit five (5) employees to engage in collective bargaining while on duty. There are three members on the negotiating team for the Police. The City wants the same for the fire fighters. Furthermore, during past collective bargaining, the Union has never had more than three (3) persons on their negotiating team.

The Union asserts that Article II(a) describes an internal Union bargaining committee which discusses and determines what proposals the Union should pursue. It is not the purpose of the provision to address the question of how many employees will comprise the Union's bargaining team. The composition of the Union's bargaining team is addressed in Article II(e):

- (e) The Association bargaining team for contract negotiations shall consist of three (3) Association members.

It is the panel's opinion that Article II(a) is superfluous and unnecessary language and should be removed from the Contract. The make-up of the Union's bargaining committee is an internal union matter not subject to the collective

bargaining process. The language in Article II(a) does not address the question of how many union members may participate in internal Union business while on duty. This was a Union argument for retention of the language. Article II9(e) controls the make-up of the Union's bargaining team.

AWARD

Article II(a) is to be removed from the parties' collective bargaining agreement.

Grady Holmes
6/16/89
Grady Holmes
City Delegate
Delegate

Kenneth Grinstead
6/16/89
Kenneth Grinstead
Chairman

James E. Leskun
6-16-89
James Leskun
Union

Union Business

This is a City issue and is non-economic. The City wishes to modify the following language in the expired collective bargaining agreement.

ARTICLE XXVIII (a)

(a) Regular employees elected to any Union Office may at the discretion

of the City and upon written request of the Union, be granted leave of absence without pay. The leave of absence shall not exceed one (1) year, but it may be renewed or extended for a similar period upon the request of the Union. Leaves granted for Union officers shall be without pay and written request from the Union for such leave must be submitted to the City Manager at least thirty (30) days prior to the starting date of said requested leave of absence. Two representatives of the Union, elected as Local Union delegates to conventions shall be granted five calendar days a year with pay. Also, two Union representatives may be granted three calendar days a year with pay to attend Union functions within a two-hundred mile radius from the City of Inkster, provided no two Union representatives are from the same working unit.

City's Last Best Offer

The City's purpose in submitting this issue to arbitration is to clarify and make the language more specific. (Capitalized words to be added).

ARTICLE XXVIII (a)

(a) Regular employees elected to any Union Office may at the discretion

of the City and upon written request of the Union, be granted leave of absence without pay. The leave of absence shall not exceed one (1) year, but it may be renewed or extended for a similar period upon the request of the Union AND WITH THE APPROVAL OF THE CITY MANAGER. Leaves granted for Union officers shall be without pay and written request from the Union for such leave must be submitted to the City Manager at least thirty (30) days prior to the starting date of said requested leave of absence. Two representatives of the Union, elected as Local Union delegates to conventions shall be granted five calendar days a year with pay. Also, two Union representatives may be granted three calendar days a year with pay to attend Union functions within a two-hundred mile radius from the City of Inkster, provided no two Union representatives are from the same working unit.

Union's Last Best Offer

The Union's final proposal on this non-economic issue is to retain the language in the expired collective bargaining agreement.

Discussion

The City believes the language in the expired contract in Article XXVIII (a) is too "open-ended" and does not provide management with sufficient flexibility in approving leaves of absence. City Manager Holmes testified that the term "at the discretion of the City" is too broad and would allow any management person to grant the leave. City Manager Holmes admitted the expired language has never been a problem.

Fire Chief Boulanger testified that in his opinion the language does not specify who's approval must be obtained. He believes the language could be interpreted to mean that the Union could request a leave of absence for a second year and approval would be automatic. This could mean that a fire fighter could be absent for two years causing management problems. He particularly emphasized the possible problems of replacement, training of the replacement, and potential overtime costs. The Chief was also concerned about the obligation of the City might have to a temporary replacement who had served for two years for an absent fire fighter on Union business leave. The Chief was not aware of any problems in the past of interpreting the language in Article XXVIII(a).

It is the Union's position that the change in language proposed by the City is unnecessary. Furthermore, the Union argues that the City did not present any evidence of any legitimate need to change the existing language.

AWARD

The Panel adopts the language change for Article XXVIII(a) as offered by the City. It does clarify the discretion for granting leaves of absence by specifically investing the City Manager with that authority. Additionally, the proposed language does require the approval of the City Manager in order for the Union to obtain a second year of leave of absence.

Grady Holmes
6/16/89
Grady Holmes
City Delegate

Kenneth Grinstead
6/14/89
Kenneth Grinstead
Chairman

James C. Leskun (Disse)
6-16-89
James Leskun
Union Delegate

Grievance Procedure

This is a City issue and is classed as non-economic. The City has proposed changing the language of the grievance procedure in the expired contract that is incorporated in Article VII:

Step 1. A grievance shall be reduced to writing, be signed by the aggrieved employee or group of employees and by the Union Steward, and be presented to the Fire Chief within five (5) calendar days of its occurrence, but not to exceed thirty (30) calendar days from the occurrence that is the subject matter of the grievance, if the existence of the grievance was not known within the first five (5) days of its occurrence. The grievance shall be prepared in detail and be dated. The Fire Chief will reply to the grievance in writing within five (5) calendar days of the date of presentation of the written grievance.

As defined in part (c) of the Contract, "Calendar days" does not include Saturday, Sunday, and holidays.

The City requests that the Panel change the language of Article VII(c) from "thirty (30) days from the occurrence" to "fifteen (15) days from the occurrence." Even though there has never been a problem, it is the City's position that thirty (30) days is too long a period.

It is the position of the Union that the language in Article VII "thirty (30) calendar days from the occurrence" be retained.

City's Position

The 30-day time limit of the contract is excessive. Fifteen days is an adequate number of days to discover the existence of a grievable infraction. By allowing more than fifteen days makes it difficult for the City to prove when the Union found out about the occurrence of the grievance.

Union's Position

The City has failed to carry the burden of demonstrating a legitimate need for the change. The thirty-day time limit would be implicated only occasionally. In fact, both Holmes and Leskun testified that they could not recall a single occasion where a grievance was not filed within the five-day period.

The police patrol unit's contract provisions do not support the City's proposal. That contract has a 10 days after knowledge or 90 days from occurrence. The police command unit has a time limit of 30 days from occurrence.

The City presented no Section 9(d) comparables to support its proposal while the Union's comparables (Union Ex. 80) shows that many fire departments have a period longer than Inkster's 5- and 30-day time limits.

Discussion

The expired contract language has a five (5) day limit with the thirty (30) days applying only if the matter is not known within the first five (5) days of the occurrence. The meaning of these terms is that if an employee has actual knowledge of a grievable event he must file a grievance within five (5) days of the event. If he does not have knowledge of the event within five (5) days he may file a grievance within thirty (30) days of the event that precipitated the grievance. The latter provision provides a longer period where knowledge of a grievance is not immediately known.

City Manager Holmes testified that to his knowledge the Union has always filed grievances within the five (5) day time limitation and the thirty (30) day limitation has never been implicated.

The Inkster Police Patrol and the AFSCME unit (now in negotiations) contracts each provide for a ninety (90) day time limit from the date of occurrence. The Inkster Police Command Unit contract calls for thirty (30) days from the date of occurrence.

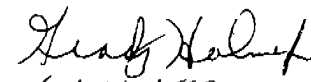
Except for five cities and the two police units in the City of Inkster, eleven (11) the eighteen (18) comparable units shown in Table 1 have time limitations of fewer than thirty (days).

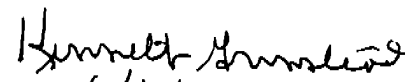
It is the opinion of the Panel that the contract language should be modified to comply with the City's proposal.

Award

The Contract language for the 1986-87 through 1988-89 period for Article VII(c) shall be:

Step 1. A grievance shall be reduced to writing, be signed by the aggrieved employee or group of employees and by the Union Steward, and be presented to the Fire Chief within five (5) calendar days of its occurrence, but not to exceed fifteen (15) calendar days from the occurrence that is the subject matter of the grievance, if the existence of the grievance was not known within the first five (5) days of its occurrence. The grievance shall be prepared in detail and be dated. The Fire Chief will reply to the grievance in writing within five (5) calendar days of the date of presentation of the written grievance.


6/16/89
Grady Holmes
City Delegate


6/16/89
Kenneth Grinstead
Panel Chairman



6-16-89 (DISSEMINATED)
James Leskun
Union Delegate

Table 1
Comparison of Time Limitations
for Filing Grievances

<u>Municipality</u>	<u>Grievance Filing Contract Time Limitations</u>
Allen Park	No time limit
Dearborn Heights	30 days following the act complained of
East Detroit	30 calendar days of the event
Ferndale	5 calendar days (excluding Sat. Sun, holidays) after occurrence
Garden City	7 regularly scheduled work days after the occurrence
Hazel Park	3 work days from date of event
Lincoln Park	30 days after occurrence, omission, or notice thereof
Madison Heights	7 calendar days from the date of the event
Melvindale	7 days after event giving rise to grievance
Plymouth	5 regular work days after event or act
River Rouge	15 calendar days of the date of the
grievance	
Southgate	30 days after occurrence or omission
Trenton	10 calendar days after occurrence or knowledge of occurrence
Wayne	15 days after the occurrence or omission
Westland	30 calendar days after occurrence or
knowledge	
Wyandotte	14 calendar days of the occurrence
Ypsilanti	7 calendar days
Ypsilanti Township	7 calendar days of event giving rise to grievance
Inkster Police Patrol	90 days from occurrence
Inkster Police Command	30 days after occurrence

Manpower/Volunteers

This is a City issue and is non-economic. The City proposes to change or eliminate four provisions of the expired contract related to manpower (minimum manning). These provisions are shown below.

ARTICLE I. RECOGNITION

- (c) The City expressly agrees not to employ or utilize volunteer or auxiliary firemen for the purpose of laying off or replacing members of this Association.

ARTICLE II. REPRESENTATION - BARGAINING COMMITTEE

- (e) Meetings shall also be scheduled in such a manner as to insure that at least five (5) men per platoon shall be on duty at the fire station at all times.

ARTICLE X. PROBATIONARY EMPLOYEES

- (g) The City shall agree to attempt the retention of present department strength and to place all transitional employees working as fire fighters on permanent status with the Fire Department upon termination of Government funding.

ARTICLE XXXVIII. WORKING CONDITIONS

- (c) Platoon Strength:
 - 1. There shall be at all times a minimum of five (5) professional firefighters on duty, to protect the health and safety of the employees in the Fire Department, and to provide the minimum manpower essential to properly operate the equipment and fight fires effectively to protect the life and property of our citizens.
 - 2. Each platoon shall consist of the presently scheduled manpower, seven (7) professional firefighters, the Fire Marshall shall not be assigned to duty on a platoon to fulfill the provisions of this clause.
 - 3. The City and Union shall cooperate fully in matters of safety, health and sanitation affecting employees. In the event manpower shall for any reason fall below the minimum strength provided in this section, such shortage shall be filled by overtime work.
 - 4. The five men platoon guarantee will provide a two man rescue team at all times.

5. Upon implementation of the City's proposed Central Dispatch System, the manpower provisions set forth in Paragraphs 1 and 2 above shall be reduced to four (4) and six (6) professional firefighters, respectively, through normal attrition. If however, the proposed Central Dispatch System is discontinued, the provisions of Paragraphs 1 and 2 above will immediately be reinstated and remain in full force and effect.

City's Final Proposal on Manpower/Volunteers

Manpower/Volunteers (Articles I(c) - Recognition, II(e) - Representation - Bargaining Committee, X(g) - Probationary employees, and XXXVIII(c) - Working Conditions
City Position - Eliminate these sections and any other sections that make it mandatory for the City to maintain minimum manpower requirements. And furthermore eliminate all sections that require the City not to employ or utilize volunteer or auxiliary firemen for the purpose of laying off or replacing members of the Fire Association.

Union's Final Proposal on Manpower/Volunteers

The following is quoted from the Union's final proposal on the Manpower/Volunteers issue.

The Union's final proposal on this non-economic issue is that the current contract provisions remain unchanged, and that the status quo as it existed on July 1, 1986 (the first day of the contract now being arbitrated) be awarded by the panel. In other words, the Union's proposal is that the existing minimum manpower requirements and all the existing contract provisions be retained, and that the City's proposal to utilize volunteer or auxiliary fire fighters be rejected.

In the alternative, the Union's final proposal is that, even if the City is to be permitted to utilize auxiliary/volunteer fire fighters, at a minimum the following is required:

A) The existing minimum manpower requirements in Article 38(c) must be retained. (Likewise Article 2(e), although it could be corrected to comport with the actual practice of four (4) men).

B) There must be restrictions on the City's use of auxiliary/volunteer fire fighters in order to protect the bargaining unit. To that end, each of the following provisos is absolutely necessary, and must be added to current Article I(c):

- 1) The City agrees that so long as it utilizes auxiliary/volunteer fire fighters, it shall maintain a minimum full-time department strength of eighteen (18) professional fire fighters, and a minimum of four (4) professional fire fighters on duty at all times, excluding the Chief and Deputy Chief.
2. No auxiliary/volunteer fire fighters shall be utilized when any professional fire fighters are on layoff.
3. The City agrees that it will not provide better equipment to the auxiliary/volunteer fire fighters than it does to the full-time professional fire fighters.
4. The auxiliary/volunteer fire fighters shall not be utilized to work at the fire station, nor to drive rigs. They shall be utilized only for purposes of call-in to the emergency scene.
5. Off Duty professional full-time fire fighters shall be called in first to an emergency scene, or in the event of a general callback shall be called in simultaneously with the auxiliary/volunteer fire fighters.
6. Auxiliary/volunteer fire fighters arriving at the emergency scene shall be under the direction of the professional full-time fire fighter in charge at the emergency scene.

The above shall be effective immediately upon issuance of the award.

Evidence Presented by the City On Manpower/Safety Issue

Coopers/Lybrand Study Recommendations

This study was conducted by Del Bergsdorf who also testified at the Hearing regarding the findings that are summarized below.

The platoon schedule assigns six fire fighters per shift. Leave schedules, particularly vacation schedules in the summer, coupled with time off resulting from twenty-four hour shifts, often results in a total on-duty complement of four fire fighters. The operating result of this staffing level is to reduce the efficiency of operations at the fire scene if the rescue unit is in service.

One of the findings of this study is that the lowest cost of fire protection is provided in those jurisdictions with volunteer

departments. Volunteers provide a cost-effective approach to providing necessary manpower at the fire scene. Additionally, while the total cost of operating the Inkster fire department is substantially below the cost of comparable communities in the area, the City's ability to finance a full-time fire department is well below that of its neighbors. The General Fund in Inkster does not have the capacity to support the fire department as presently organized.

Other findings of the study were that the current staffing plan of the Inkster Fire Department results in: 1) high cost/low productivity caused by stand by time; 2) inadequate manpower to assure effective response for major fires; and, 3) excessive overtime costs. The study reports that less than 15% of the fire fighter's on-duty time is spent on the alarm response aspects of the work.

This study recommends a modification of the department from its full-time, twenty-four shift approach to a combined full-time and part-time department. The number of full-time fire fighters would be reduced through attrition over a two-year period upon addition of the trained volunteers. The volunteers would come on in advance of the reduction in the full-time staff. The initial phase of the implementation plan would be more costly than the current eighteen-man staff, but costs would be reduced significantly as attrition of the full-time staff occurs. This option would require careful development of a multi-year implementation plan, departmental leadership familiar with and supportive of such a change, and the active involvement of current personnel.

The following outline by Coopers/Lybrand indicates the configuration of such a department.

A combination of full-time personnel, supplemented by paid on-call volunteers.

Transition from twenty-four to eight, ten or twelve hour shifts; full-time personnel would cover all peak work load hours and medical emergencies.

Utilization of all current personnel in establishment of training, inspection and planning. Multi-year phase-in of work schedule changes.

Over the long-term, via attrition, the full-time work force could be reduced by twenty-five to fifty percent and still provide the response time advantages of full time personnel while paying for the part-time manpower and financing the necessary equipment replacement program. A specific implementation plan would be necessary to retain pay back periods and provide a basis for negotiations.
(pp. IV.20 and 21)

Testimony of James Haley

Mr. Haley has been Chief of the Troy, Michigan Fire Department for the past fourteen (14) years. Prior to that he was fire marshall for nine years and before that he was a volunteer fire fighter for six years. He has served as President of the Southeast Michigan Fire Chiefs' Association, the Michigan Fire Chiefs, and the Great Lakes Division of the International Association of Fire Chiefs. Troy has always had a completely volunteer fire department. Chief Haley has had no experience of working with a fulltime, career fire department.

Troy employees ten (10) fulltime fire professionals who work in fire prevention, training, and administration. They serve a 40-hour workweek, 8:00 a.m. to 5:00 p.m. These employees are the Chief, the Deputy Chief, an Arson Investigator, a Fire Marshall, a dispatcher, and five fire inspectors. These individuals also serve as volunteers. During 1988, the City responded to 1,260 alarms. This is an average of 105 alarms each month.

The City of Troy is a community of 80,000 population and 34 square miles in area. It is an upper middle class community with average price single residences of \$150,000. Troy property is sixty (60%) percent residential and forty (40%) percent industrial and commercial. It includes two major shopping malls, a hospital, and forty to fifty high-rise buildings. It may be classified as a fairly new City. In 1960, its population was 20,000.

Troy has six fire stations. The fire department utilizes 153 persons in its operation with a target of a minimum of 20 and a maximum of 30 volunteers assigned to each station. The Deputy Chief is in charge of training. Six volunteers assist him. One training session is held each week at each station. The Michigan Fire Fighters' Training Council guidelines and curriculum are used for training. All volunteers must attend one training session each week. A volunteer must complete sixty (60) hours of training each year. Each volunteer must complete the State criteria for a Fire Fighter I.

Each volunteer carries a beeper. They are dispatched by radio pager. Each volunteer is provided with a uniform and all necessary gear. Each has a red light and siren for their automobiles to be used at the volunteer's discretion. Each fire station has its own officer structure of an assistant chief and a captain. For each rig there is a lieutenant in charge. When fulltime fire department personnel respond to fires, they are under the direction of volunteer officers.

Volunteers must be City of Troy residents. They are not paid. However, the volunteers have an association that receives \$180,000 each year to be used as the association wishes.

When a fire alarm is issued, volunteers who live or work nearest the fire station respond to the station. When the first volunteer arrives at the station he leaves with the "rig" and goes to the fire scene. Others respond directly to the fire scene. Because there are full-time fire department employees on duty during the daytime hours, they usually respond to the fire scene with the equipment. At the fire scene, the first arrival evaluates the situation and determines what is to take place -- rescue is first, property protection second. At the fire scene, the City requires that a hose lines will be managed by a minimum of two persons. The attack on the fire commences when sufficient manpower is available.

Chief Haley testified that the response time is slightly less than five minutes. Response time is measured from the moment the dispatcher receives the fire alarm until the first piece of equipment arrives at the fire scene. Chief Haley testified that fulltime employees at the stations during the daytime hours are usually the ones who leave with the rig.

The Chief has detected no problems in fighting fires because of different combinations of fire fighters responding to each fire.

While Chief Haley has had no experience with a fulltime career fire department, he is confident that a volunteer department can operate as efficiently as a fulltime department. He stated:

Personally I fell that a fire department is based on equipment, training and manpower. It's my opinion that volunteers can have the same level of training, the same level of dedication, the same equipment as the fulltime force would have.

So based on those things, my opinion would be that a volunteer force could be just as efficient as a fulltime force, given all the factors being the same. (Trans. Vol. XVII, pp. 20-21.)

Chief Haley admits he has had no experience permitting a comparison of a fulltime department with an all volunteer department, but believes volunteers can be as effective. He does not have any knowledge of the City of Inkster or the Inkster fire department.

Testimony of City Witness Richard Marinucci

Mr. Marinucci is Fire Chief in the city of Farmington Hills. He is currently the vice-president of the Southeast Michigan Association of Fire Chiefs. He holds three bachelors degrees -- one in education, one in fire science, and one in fire administration. He has written five articles for fire journals. Two of the articles were about combination career/volunteer fire departments. He has taught seminars on recruiting, maintaining, and motivating auxiliaries, and problem solving in combination fire departments.

Marinucci commenced his employment in Farmington Hills as a volunteer, became a career fire fighter, a lieutenant, and then Chief. He once served as secretary-treasurer of the local fire fighters' union.

1. Operational Structure of the Farmington Hills Department.

The Farmington Hills fire department commenced as an all volunteer department and progressed to a combination department in 1976 when a Chief and a Fire Inspector were employed. The following year five career fire fighters were added. Three more were added in 1977. The City maintains a combination fire department of 88 auxiliaries and 14 career. Of the career staff, nine are fire fighters, two are lieutenants, one is fire marshall, one is deputy chief, and one is chief. The City has a population of 70,000 and 34 square miles of area. Four fire stations are maintained. About 70% of the City is residential property. The tallest buildings are five story. Most of the people are middle or upper class.

Farmington Hills has never utilized 24-hour-a-day manned fire stations. Full-time personnel are scheduled to work four days out of five between Monday and Friday. The work schedule is from 7:30 a.m. to 6:00 p.m., Monday through Friday. Each of the four stations is manned by at least two career fire fighters during the day period. If career firemen are on vacation or unavailable, auxiliaries fill in during the day hours. If a fire or emergency occurs during the 7:30 a.m. to 6:00 p.m. period Monday through Friday, only career personnel respond. On weekends, holidays, and weekdays from 6:00 p.m. to 7:30 a.m., only auxiliaries respond to fires. However, off-duty career fire fighters may respond as auxiliaries during these hours. (The schedule of having career fire fighters on duty during daylight hours resulted from a difficulty of getting auxiliaries to respond during what was generally their own work hours). Auxiliaries in Farmington Hills respond to about two-thirds of the fire alarms. The City's fire personnel respond to emergencies, but a private ambulance service transports.

The volunteer personnel have their own command structure. They are paged by radio and respond to the station. Only after two auxiliaries have arrived at the station may they leave with the equipment. Chief Marinucci testified that career fire fighters housed at the station are able to arrive at the fire scene two or three minutes quicker than auxiliaries who must go from their homes to the station and then to the fire. Chief Marinucci did not believe this delay was significant. Effective firefighting depended on other factors.

Auxiliaries in Farmington Hills are subject to the same selection criteria, must undergo the same training, must meet the same certification requirements, and receive the same equipment as career personnel. It was Marinucci's opinion, based on surveys, that citizens are not able to detect any difference between career fire fighters and auxiliaries. Marinucci did not believe that the safety of fire fighters was jeopardized by having a combination department. He testified that the number of injuries, ratio-wise, among auxiliaries and careers was the same. He believes that selection, training, maintenance, and good administration reduce safety problems.

Pay for auxiliaries in Farmington Hills ranges from \$8.10 to \$11.65 per hour depending on length of service. All auxiliaries receive \$8.10 per hour for training. In addition, auxiliaries receive longevity pay which averages about \$500 annually for each.

2. Why Farmington Hills Combination Department is Successful.

It is Chief Marinucci's belief that the Farmington Hills combination fire department is successful because:

a. The City council has established a combination department by policy.

All who work in the system accept it because thats the way it is. (Marinucci testified that he has had very few problems, little disharmony, and little negative feedback because of having a combination department).

b. There is continuous monitoring of the system and early resolution of recognized problems.

c. All Farmington Hills career personnel were previously auxiliaries in the department. Marinucci believes this enhances cooperation.

d. The administration has developed a workable plan as to who is in charge at the fire scene.

e. Because the combination department saves money, funds are available for training. Full-timers are able to attend seminars and training programs.

3. Marinucci's Criteria for Establishing a Successful Combination Department.

a. Citizens must be willing to accept such an arrangement.

b. Current career fire department staff members must be willing to accept the combination department.

c. The administration must be willing to accept and work with the combination department.

d. The administration must develop and monitor a workable command structure and plan as to who is in charge at the fire scene.

Testimony of Fire Chief Victor Boulanger

Mr. Boulanger has been Chief of the Inkster Fire Department since May, 1987. He first became involved in fire fighting in 1956. Has served as a volunteer fire fighter, career fire fighter, lieutenant, assistant fire Chief, fire Chief, and Fire Marshall. He is a certified instructor in three states including Michigan and has been an instructor in a community college in fire science.

During his career he has worked in a combination auxiliary and career department, a full career department, and in a department that changed from an all auxiliary to a full career department. He acknowledged that he has not had any experience in a fire department that changed from full career to combination.

When coming to Inkster, Boulanger was informed of the City Council's desire to convert the all career Department to a combination department. He was advised that the collective bargaining agreement embodied minimum manpower provisions. At the Hearing the Chief gave testimony regarding a proposed budget for changing from a full career department to a combination type.

It is the Chief's opinion that a minimum manpower provision in a collective bargaining agreement restricts managerial prerogatives and doesn't allow for innovation. He believes that management can better reach its goals without the restriction of contractual minimum manpower provisions. Chief Boulanger strongly favors a combination department because: 1) such an arrangement allows for more manpower with more equipment at the fire scene; 2) it is less costly and more compatible with the City's financial restrictions; 3) it permits competition between career and auxiliaries which he views as positive; and 4) it creates a situation where career personnel set a standard for and serve as mentors for auxiliaries.

In his opinion there are no safety problems inherent in a combination department. He believes injury rates are the same for career and auxiliaries. Auxiliaries have the same protective clothing, gear, and training as career personnel. The same State standards are applicable to both.

It is the Chief's plan to recruit and train about fifty auxiliaries. The auxiliaries would be employees elsewhere. The number of career fire fighters would be reduced from 18 to 12. There would be four career fire fighters assigned to each twenty-four hour shift. (However, he acknowledged that because of vacations, illness, leave, etc., this number would sometimes drop below four). The Chief has not been able to implement his plan for various reasons.

Chief Boulanger recognizes that a person sitting at the fire station can respond to the fire scene quicker than a person who is called from his home, work, etc., and then travels to the station to pick up his equipment and/or vehicles and then goes to the fire scene. The response time of an auxiliary, between being paged and arriving at the fire scene, is controlled by the time it takes to leave his home or work place and get to the station. However, Boulanger's eventual plan is to have four auxiliaries at the station at all times to supplement the career personnel.

Boulanger also believes it is important in fighting a fire to have adequate personnel at the scene. This can be accomplished best in Inkster, with its limited fiscal resources, by having a combination of volunteers and career fire fighters. It is the Chief's opinion that the essential factor in fire fighting is not necessarily the time it takes to arrive at the fire scene but rather the time it takes to bring the fire under control. This, he believes, can be accomplished best by having adequate personnel not now available under the current staffing plan.

The Chief recognizes that the combination plan would not permit the consistent assignment of the same personnel to fight fires. Therefore the "buddy" system between the career and auxiliary fire fighter could not be developed. However, he does not view the "buddy" concept to be important.

The Chief admitted that for a one-month period he attempted to assign some auxiliary personnel at the fire station but the plan was discontinued. He stated that the career personnel ostracized the auxiliaries. Also, at the fire scene the auxiliaries were told to just "stand off" do nothing.

Thus far, the City has been able to recruit and select only six auxiliaries. In response to an alarm, the career, on-duty fire fighters respond to the fire scene. The auxiliaries respond to the station from their homes, work, etc., pick up their equipment, and vehicles, and proceed to the fire scene.

Evidence Presented By the Union on Manpower/Safety

Testimony of Union Witness John Simonds

Mr. Simonds retired as Assistant Chief Fire Marshall from the City of Westland in 1984. His firefighting career commenced in 1959. He has served as a fire fighter, driver-engineer, lieutenant, and battalion chief. He has an earned Associate degree in fire technology from Macomb Community College. He worked with paid, on-call auxiliaries from 1959 to 1971.

Simond's experience with auxiliaries was in a situation where the career fire fighters responded directly from the firehouse to the fire scene with the equipment; the auxiliaries responded directly to the fire scene from their homes, places of work, etc. The auxiliaries were contacted by radio. Fifteen to twenty auxiliaries were assigned to a specific fire station and responded only to fires within a designated geographic area. Off duty career fire fighters were also notified and responded. Often equipment was sent from other stations. Auxiliaries never drove equipment.

The combination volunteer/career department in Westland was abandoned in 1971 and the City now employs only career staff.

1. Training of Auxiliaries in Westland.

The auxiliaries received the same training as career fire fighters. Initially, training sessions were conducted each week but later were held monthly. Simonds conducted some of the training session. Auxiliaries were not regular attenders at the training sessions.

2. Dependability of Auxiliaries.

Simonds testified that the response of auxiliaries depended to some extent upon factors such as the time of day, whether the fire occurs on a weekend, or family responsibilities. Typically, six to eight auxiliaries of the fifteen or twenty assigned to a station would respond to the fire scene. However, there were times when no auxiliaries responded. He noted that the frequency of response by auxiliaries declined during the last few years of the combination program.

Simonds testified that it was his experience that career fire fighters were usually able to respond to the fire scene from the station within two minutes. If more than two minutes it was due to distance. Auxiliaries usually responded within four to six minutes after notification.

Simonds noted that some of the auxiliaries were good firemen, but their attendance was irregular. He believed that if a volunteer had "something better to do" he would not respond to the fire. Simonds testified that in a Westland fire in which two young girls died no auxiliaries responded.

3. Sufficiency of Manpower at the Fire Scene.

It was Simonds' opinion that a minimum of four fire fighters is required to adequately respond to a one or two story residential fire. One fire fighter has the responsibility for finding and hooking up the water supply. The engineer is with the equipment and mans the pump. Two fire fighters advance the fire line. When fewer than four men respond, the safety of the fire fighters is reduced. Simonds was adamant that two men are necessary to handle the fire line. He related an incident when he fell from a ladder and was injured while attempting to man the hose by himself.

Simonds testified that it is not realistic for a fireman to wait at the fire scene until sufficient manpower arrives. The responding firemen will attempt to exercise search/rescue attempts or fight the fire irregardless of the number of men at the scene. If there are insufficient responders, the safety of those who attempt to fight the fire is reduced.

4. Teamwork Concept.

Simonds testified that the safety of the fire fighter is directly related to the experience of the men working together on a regular basis. Fire fighters learn about each other, how they work, who can be depended upon, as they engage in fire fighting over a period of time. This dependability and teamwork is enhanced with having fought fires together.

This concept cannot work with auxiliaries because different auxiliaries will respond to alarms. Having to work with someone on only an occasional basis does not permit the development of the teamwork concept. In this context, a volunteer cannot adequately substitute for a career fireman. Nor can this teamwork be developed in a combination volunteer/career department because of the irregular response of the auxiliaries. A fire fighter learns to know, work efficiently with, and becomes dependent upon another firemen only by having worked with the person over a period of time. Gaining this experience is not possible with irregularly responding auxiliaries.

5. Demise of the Combination Department.

It was Simonds testimony that fire departments commence as all volunteer, progress to a combination of volunteer and career, and then become career. This has been the experience in the department at Westland. The elimination of the use of auxiliaries in Westland, in Simonds opinion, occurred because of the animosity that developed between career and auxiliaries. This happened because the auxiliaries did not show up for training, or because auxiliaries did not always help clean equipment after a fire, leaving the work to career personnel.

Dallas Study

The Union submitted into evidence a series of articles from the Fire Command journal entitled "Staffing Levels, A Major Study, Part 1." (November, 1984, pp. 16-19; December, 1984, pp. 24-27; January, 1985 pp. 24-27; February, 1985, pp. 36-55; March, 1985, pp.18-21; May, 1985, pp. 20-24). Author of the articles is John T. O'Hagen. The articles summarized the findings from a series of tests designed to measure the impact of different staffing levels on the effectiveness of fire companies. The study, conducted in 1983-84, was based on a premise that "The most critical factor in the fire protection equation is time as it related to the development of a fire." (p.16, Nov. 1984). O'Hagen was critical of previous standards developed by fire insurance interests to reduce the risk of large fire losses on insured properties. These standards were developed by engineers who were not familiar with fire fighting strategy and tactics. No consideration was given to characteristics of buildings or occupancies.

The Dallas study was based on an analysis of fire operations for the purpose of measuring the effect of crew sizes on the efficiency of fire fighting strategies and tactics in typical fires that can be anticipated in a given community. Three simulation scenarios were used for the study: An apartment house fire, a fire in a high rise office building, and fire in a private residence. Crew sizes used were composed of five, four, and three fire fighters. Each trial run was designed to test each crew to its maximum.

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As a general rule, the Dallas study indicates that staffing below a crew size of four can overtax the operating force and lead to higher losses. (p.18, Nov., 1984).

The study showed that inadequate staffing results in problems:

- Delays in the performance of critical tasks
- Increased risk to victims because, as the length of delay increases the likelihood of survival decreases.
- Loss of critical functions
- A cumulative effect created by combined delays and lost functions on the part of each crew, which resulted in an even greater loss of overall effectiveness.
- Increased physiological stress on the fire fighters as they tried to compensate for the lower staffing level: and
- Increased risk to fire fighters when aggressive procedures are undertaken without the support necessary to complete them safely. (p. 19, Nov., 1984).

O'Hagen also stated:

As the number of fire fighters decreases without eliminating any of the tasks to be accomplished, the department also must increase the tasks assigned to each person and/or increase the combinations of fire fighters that must be assigned to perform tasks that require a combined effort. (p. 19, Nov., 1984).

The findings show that performance times were consistent with staffing levels. Increases in time will result in additional fire growth, delayed search and rescue, suspension of attack on the fire and rescue effort, and increased risk to fire fighters. The smooth performance with a five-man crew became a hectic operation as crew size was reduced. O'Hagen found a loss of function and cumulative effect:

1. With three fire fighters:

- a. The advance of the initial attack line is delayed until the hydrant connection is made.
- b. There is a loss of the hose line to protect the exposure.
- c. There is a loss of the interior support line.
- d. Roof ventilation is not possible.
- e. Exposure roof is not examined.

2. With four fire fighters there are delays in:

- a. roof ventilation.
 - b. the availability of the interior support line, and
 - c. the protection of the exposure.
- (p. 21, March, 1985)

The Dallas study does show that a reduction of crew size from a minimum of four to a minimum of three will place an increased physiological stress and risk upon fire fighters as they try to compensate for lower staffing levels. However, the City of Inkster does not propose to reduce the number of fire fighters at the fire scene. Their proposal is to reduce the number of career fire fighters, supplement with auxiliaries, and increase the number of fire fighters at the fire scene.

Union Exhibit No. 121

This exhibit is an analysis of the Seattle, Washington Fire Department disability report statistics for 1977, 1980, and 1981. For each year, the analysis revealed that a relationship existed between manning levels and disability statistics. Lower manpower means more severe injury to the fire fighter. Members of smaller fire companies were hurt more frequently and more severely than were members of larger companies.

Union Exhibit No. 122

This Exhibit was Bulletin No. 319, American Insurance Association, 1975 and was a study of full paid fire departments. The study recommends four fighters on duty with each engine and ladder company as an absolute minimum. But recommended five as better.

Union Exhibit No. 123

This is a copy of Section 15, Chapter 7 of a publication entitled, "FIRE PROTECTION HANDBOOK" edited by Arthur Cote. The chapter was revised by John Granito. A minimum fire force of twelve on-duty fire fighters is recommended of a small community but does not state that the fire fighters should be career.

Union Exhibit No. 108

This is a verbatim transcript of an interview of Chief Boulanger conducted for local Inkster cable television. A tape of the interview was shown for the Panel. In the interview, Chief Boulanger stated that it was the City's intent to supplement the eighteen (18) man Inkster fire department with volunteer fire fighters. He also stated that there was no intention to reduce the number of career fire fighters in the City. (This, of course, is not the City's or Chief Boulanger's present position).

Union Exhibit No. 106

This exhibit is an undated "Statement of Philosophy" issued by Chief Boulanger in which he sets forth the goals of the volunteer supplement fire fighting force. In the "Statement", Boulanger stated, "This program is not designed to have the Volunteer replace staff, but is aimed at a supplementary and complementary role.

Union Exhibit No. 124

This was an article from the Detroit News dated April 14, 1988 entitled "FEW FIRE DEPARTMENTS READY FOR SPILLS." The article suggests that fire departments are not prepared for handling hazardous materials spills from railway cars. Some of the persons quoted in the article were critical of fire fighter training as related to hazardous materials spills. While training programs existed, fire fighters generally preferred to receive training on structural fires. There was criticism of volunteer departments.

Union Exhibit No. 125

This exhibit is a copy of an agreement between the Ypsilanti Township Fire Fighters Association and the City providing guidelines for the utilization of part-paid/volunteer firefighters.

Union Exhibit No. 126

An August, 1983 report of the Insurance Services Office, Inc. providing a number of fire insurance classification improvement statements and a copy of the detailed grading useful in determining Inkster's fire insurance classification. This report is of little relevance to this dispute as it is based on a standard that Inkster should maintain three (3) engine companies, with six men each, including officers, on duty at all times. This would require a minimum of eighteen (18) fire fighters on duty. To staff a department would require seventy-five (75) full-time career fire fighters. This is far beyond the fiscal capacity of the City.

Union Exhibit No. 127 and 128

These exhibits are verbatim transcripts of a video tapes shown at the Hearing. Exhibit No. 127 is entitled "FIRE COUNTDOWN TO DISASTER." Exhibit No. 128 is entitled "FIRE KILL." Together, these exhibits provide background for understanding the nature of fires, the threat of fire to property and lives, and the risks taken by fire fighters.

Union Exhibit No. 136

Copy of one page of a "CITIZEN'S PETITION" urging the City Council to support the Inkster Fire Fighters' Association and protesting the City Council's "planned reduction in the number of full-time qualified professional firefighters." The Union asserted it had gathered 2,000 signatures.

Experience of Auxiliaries Responding in Inkster

The record of auxiliaries responding to alarms in the City of Inkster has not, thus far, proven to be convincing evidence that the program is workable and in the best interest of the citizens. The Union submitted into evidence (Ex. No. 132) the fire department log for the period from October 12, 1988, through November 12, 1988. This log included fifteen (15) instances when auxiliaries were called out to respond to fire alarms.

Some explanation of the response log times is necessary. When a fire alarm comes in, the department is notified and the alarm transmitted to the station. When the fire equipment leaves the station, the radio is turned on and the "air time" is recorded. The auxiliaries have always responded on equipment number 621 and their "air time" recorded when that piece of equipment left the station. Listed below are the "air times" for both career fire fighters and auxiliaries.

10/16/88	career left at 0341,	aux. left at 0356,	delay of 15 minutes
10/21/88	career left at 0849,	aux. left at 0906,	delay of 17 minutes
10/26/88	career left at 1852,	aux. left at 1909,	delay of 17 minutes
10/26/88	career left at 2106,	aux. left at 2110,	delay of 4 minutes
10/28/88	career left at 2254,	aux. left at 2259,	delay of 5 minutes
10/29/88	career left at 2116,	aux. contacted,	did not respond
10/31/88	career left at 0028,	aux. left at 0123,	delay of 55 minutes
11/1/88	career left at 1857,	aux. left at 1906,	delay of 9 minutes
11/3/88	career left at 0610,	aux. responded,	no time recorded
11/4/88	career left at 0416,	aux. left at 0419	from home
11/8/88	career left at 0304,	aux. contacted,	did not respond
11/9/88	career left at 1904,	aux. responded,	no time recorded
11/10/88	career left at 0533,	aux. left at 0600,	delay of 27 minutes
11/13/88	career left at 0710,	aux. left at 0730,	delay of 20 minutes
11/14/88	career left at 1424,	aux. responded,	no time recorded

The data above indicate that the average delay time was 19 minutes. Delay time is the number of minutes from the time the auxiliaries left the station on equipment piece number 621 after the career fire fighters left the station. The median delay time was 15 minutes. In three instances, auxiliaries did not respond at all. On 10/28/88 the auxiliaries were in the station for training and responded within five minutes of the career fighters.

Effective fire fighting demands early response. In an article in Fire Command (John T. O'Hagen author), published November, 1984, p. 16, (Union Ex. No. 120) it was stated that: "The most critical factor in the fire protection equation is time as it relates to the development of fire." The evidence in this matter shows that a delay in responding to a fire can result in greater fire growth, delayed search and rescue, and greater exposure to the safety of the fire fighters.

Comparables

The Union submitted an exhibit (Union Ex. No. 118) showing the extent of use of auxiliaries among eighteen comparable municipalities. The information was obtained by the Union by telephoning Union Presidents. Fourteen of the municipalities use only career fire fighters. These are:

Allen Park	Ferndale Heights	Garden City
Hazel Park	Lincoln Park	Madison Heights
Melvindale	River Rouge	Southgate
Trenton	Wayne	Westland
Wyandotte	Ypsilanti	

Four of the comparable municipalities utilize a combination of full-time fire fighters and auxiliaries: Dearborn Heights, East Detroit, Plymouth, and Ypsilanti Township.

The Union presented two exhibits (Nos. 116 and 117) that show the number of fire fighters on duty for each 1,000 persons in the population and for each 1,000 housing units. These data have been combined and are shown in Table 1 at the end of this section.

The median number of career fire fighters on duty per 1,000 population among the nineteen comparable municipalities is .20. In Inkster it is .12, only 60% of the median.

The median number of fire fighters on duty per 1,000 housing units among the nineteen comparable municipalities is .58. In Inkster it is .33, only 57% of the median.

The number of fire fighters on duty in Inkster reflects the City's ability to pay. Inkster's state equalized valuation of property per capita is \$5,211. This is 56% of the median of the nineteen comparable municipalities. These data indicate that Inkster is providing full-time fire fighter staffing at the level it can afford.

The Applicable Criteria in MCL 423.239 and Manpower/Volunteers Issue

- (a) The lawful authority of the employer.

City governments have the authority to utilize career and/or volunteer fireman. A Union has the right to demand negotiations on the question of safety to bargaining unit members 1) when volunteers are used in combination with career fire fighters; and 2) relative to the minimum number of fire fighters utilized at the fire scene.

- (b) Stipulations of the parties.

There are no stipulations.

- (c) The interest and welfare of the public and the financial ability of the unit of government to meet those costs.

The public has an interest in the viability of the fire fighting service provided by the City government. There was evidence that a combination career/volunteer fire fighting force is workable. (Troy and Farmington Hills and testimony of Chief Boulanger). A combination force will place more fire fighters at the fire scene at less cost. However, the volunteer component of the Inkster fire department has not developed sufficiently. Timely response with adequate manpower is a critical factor in fighting a fire. It has been shown that the volunteers in Inkster are not responding timely or in adequate numbers to justify a reduction of, or the elimination, of the minimum power provisions of the expired contract. With a volunteer force of only six (6) that reports to the fire scene sporadically, and often late, the public is not well served. The use of volunteers in Inkster has not been adequately tested to determine whether it is workable in that community. No tradition has developed in the City for using volunteers as has occurred in Troy and Farmington Hills. The use of a combination career/volunteer department has been successful in Troy and Farmington Hills, but there is no evidence that it is workable in Inkster. At this time, the welfare of the citizens of Inkster is best served by a staffing plan that assures a fire fighting force of at least four (4) career fire fighters at the fire scene.

The utilization of volunteers and the reduction of the career fire fighting force will reduce the fire fighting costs of the City. Under present circumstances, City expenditures will increase more rapidly than revenues. The City's proposal to use a less expensive combination career/volunteer force has the potential of reducing expenditures.

In the 1984-85 fiscal year, Inkster spent 9.6% of its General Fund expenditures for its fire department. The average of eighteen other comparable municipalities was 16.2%. Among the nearest neighbors -- Dearborn Heights spent 18.6%; Wayne, 13%; Westland, 17.9%; and, Garden City spent 14.5%. While Inkster has a lower ability to pay than comparable municipalities, it spends a smaller percentage of its General Fund for fire protection services than other municipalities.

(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.

Of the eighteen municipality fire departments used for comparison purposes in this matter, fourteen (14) use only full-time career professional fire fighters. Four utilize volunteers along with fulltime fire fighters. These municipalities are all older Detroit area suburbs, quite unlike Troy and Farmington Hills.

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

Not directly applicable to this issue. However, consumer price increases will affect wages and therefore increase the expenditures for fire fighting services. When consumer prices increase more rapidly than City revenues, the ability of the City to pay is diminished. For this reason, the City's rationale that it needs to reduce expenditures for its fire fighting services is valid.

(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.

It is the overall compensation paid to the career fire fighting force that the City wishes to decrease by the use of volunteers. However, the City proposes that it reduce its career force to twelve (12). This does not contribute to the continuity and stability of employment in the City of Inkster fire department for career employees.

(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

There have been none.

(h) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours, 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 safety of fire fighters at the fire scene is a factor taken into consideration in arbitration. The Union has demonstrated that a minimum force of four is needed at the fire scene to maximize the safety of fire fighters. One person is needed to secure and hook up to a water supply, the engineer is needed to man the pumper, and two fire fighters are needed to handle the fire hose. When the number of fire fighters is reduced to less than four, safety is jeopardized and there is a delay in fighting the fire. (Testimony of John Simonds and article by John T. O'Hagen, published November, 1984, p. 16, Union Ex. No. 120 where it was stated: "The most critical factor in the fire protection equation is time as it relates to the development of fire." With fewer than four (4) fire fighters a fire will develop more rapidly and threaten the safety of those called to fight the fire.

The required fire fighting equipment and manpower should arrive at the fire scene near enough in time after the initial alarm to operate as an effective fire fighting unit. Because volunteers must travel varying distances to get to the fire station and then go to the fire scene, all fire fighting apparatus cannot go into operation at the same time. The initial attack in fighting a fire is crucial. Those fire fighters and vehicles that cannot arrive at the fire scene within the first critical time period can do no good in the initial attack.

Lieutenant Leskun testified that the fire department is organized on a platoon basis with the same personnel assigned to each twenty-four (24) hour shift. Through this method of assignment, personnel work together on a continual basis and develop working relationships at the fire scene. This relationship does not develop between the career and auxiliary fire fighters. A different complement of volunteers may report to each fire and the career fire fighter is not acquainted with their abilities. This places a heavier work load upon the career fire fighters and has the potential of jeopardizing the safety of both volunteer and career personnel. Leskun's view was supported by Simonds.

Table 1

Comparison of Fire Fighters on Duty per
1,000 in the Population, and 1,000 Housing Units
for Nineteen Comparable Municipalities

<u>Municipality</u>	<u>Minimum Number Fire Fighters On Duty</u>	<u>Minimum Number Fire Fighters On Duty Per 1,000 Population</u>	<u>Minimum Number Fire Fighters On Duty Per 1,000 Housing Units</u>
Allen Park	7	.22	.58
Dearborn Heights	10	.16	.43
East Detroit	5	.14	.37
Ferndale	7	.28	.69
Garden City	5	.15	.44
Hazel Park	5	.25	.65
INKSTER	4	.12	.33
Lincoln Park	8	.19	.48
Madison Heights	7	.20	.54
Melvindale	4	.34	.84
Plymouth	2	.20	.49
River Rouge	5	.42	.99
Southgate	6	.20	.53
Trenton	8	.38	1.00
Wayne	5	.24	.69
Westland	13	.16	.43
Wyandotte	8	.25	.60
Ypsilanti	6	.26	.66
Ypsilanti Twp.	9	.20	.52
MEDIAN	6	.20	.58

Award

This is a non-economic issue. As permitted by Act 312, the Panel has exercised its discretion and rejected the last best offers of each party on the issue of use of manpower and prepared its own award.

After conducting a careful study of the testimony and evidence submitted at the Hearing by the parties on this issue, together with the evidence and testimony related to all of the Act 312 applicable criteria, it is the Panel's conclusion, with one exception, that all the language in the expired agreement related to minimum manning should be continued into the new contract.

It is very evident to the Panel that the auxiliary contingent is not yet sufficiently developed to serve as a competent supplement to the full time fire fighters. This inadequacy has been described above. To reduce the current manpower levels, and depend upon the auxiliary force as a supplementary replacement, would create a risk to the safety of the full time fire fighters and to the citizens of Inkster.

One provision of the expired collective bargaining agreement related to the use of auxiliaries is to be eliminated. The provision is:

ARTICLE I. RECOGNITION

- (c) The City expressly agrees not to employ or utilize volunteer or auxiliary firemen for the purpose of laying off or replacing members of this Association.

The above cited provision has created some confusion as to whether the City is permitted to utilize auxiliary firemen to supplement the existing full time fire fighter contingent. As part of the Panel's award, we wish to make very clear that the City has the right to use auxiliaries. At the same time, we wish to make certain that all the minimum manpower provisions of the expired contract are to be carried forward into the 1986-87 through 1988-89 three-year contract. These minimum manning provisions provide for a full time fire fighting force of eighteen (18), three platoons of six (6) each, and a minimum force on duty of four (4).

Grady Holmes
City Delegate

Kenneth Grinstead
4/14/89
Kenneth Grinstead
Panel Chairman

James E. Leskun
6-16-89
James Leskun
Union Delegate

MR Holmes
declined to sign
as a dissenter
H.H. 4/14/89