

STATE OF MICHIGAN

IN THE MATTER OF THE ARBITRATION OF
CITY OF MOUNT CLEMENS

and

TEAMSTERS LOCAL 214, LAW ENFORCEMENT
DIVISION.

BACKGROUND

The City of Mount Clemens has a population of approximately 20,000 and a police department of 43 employees. The fiscal and contract year is July 1, 1975 to June 30, 1976. The captioned bargaining unit consists of two ~~Senior~~ ^{SPD} Inspectors. Impasse in bargaining having been reached in connection with certain hereinafter recited issues in connection with the 75-76 contract year (second year of the 74-76 contract), the Arbitration Panel was convened pursuant to Public Act 312.

The parties reached agreement as to all terms and conditions recited in the 74-76 contract with the exception of the following issues pertaining to 75-76 contract year, which the Panel concludes are economic in nature:

- I. Amount of compensation
 - a. Last best offer of City of Mount Clemens-\$22,400.00 per year with no additional payment for overtime.
 - b. Last best offer of Union - \$23,300.00 per year with no additional payment for overtime.
- II. Furnishing a motor vehicle to the Inspectors for City business
 - a. Last best offer of City - no motor vehicle shall be exclusively provided to either Inspector, but they shall be paid .12 per mile for use of their own vehicle for City business pursuant to present City policy.
 - b. Last best offer of Union - a motor vehicle shall be provided for the exclusive use of both Inspectors for City business.

LABOR AND INDUSTRIAL
RELATIONS LIBRARY
Michigan State University

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Kanner, Richard L.

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III. Pension benefits

- a. Last best offer of City - Pension benefits shall remain as set forth in 74-75 contract.
- b. Last best offer of Union - Pension benefits shall be paid in accordance with the same benefits to be paid firefighters as per their contract for year beginning June 30, 1976.

The parties have stipulated that all procedural prerequisites of the subject statute have been met.

APPLICABLE STATUTORY PROVISIONS

423.239 Findings and orders; factors considered.
[M.S.A. 17.455 (39)]

Sec. 9. Where there is no agreement between the parties, or where 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 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 or employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties in the public service or in private employment.

OPINION

- I. Amount of compensation
 - a. Last best offer of City of Mount Clemens
\$22,400.00 per year with no additional payment for overtime.
 - b. Last best offer of Union - \$23,300.00 per year with no additional payment for overtime.

The decision of the above issue has to take into account the overtime provisions applicable during 74-75 contract year. It appears that both Inspectors were paid time and a half (\$15.00 per hour) for overtime performed at their discretion, and the amount of same was accepted by the City as recorded by these employees. During the year 74-75 the compensation of these employees was as follows:

Inspector Frederick Pickrahn

Base	\$19,500.00
Overtime	<u>2,650.00</u>
TOTAL	\$22,150.00

Inspector Francis Ballor

Base	\$19,500.00
Overtime	<u>2,380.00</u>
TOTAL	\$21,880.00

21,880.00

The overtime expended by Inspector Pickrahn from July 1, 1975 to November 1, 1975 was 88.5 hours, and it was projected that he would expend about the same total overtime for fiscal 75-76 as in 74-75.

Therefore, taking Inspector Pickrahn as an example, if no raise was awarded for 75-76, he would earn the same amount as in 74-75 or \$22,150.00. The City offers a flat \$22,400.00 with no payment for overtime.

It is, therefore, at the outset/^{apparent}that the acceptance of the City's offer would afford Inspector Pickrahn a 1.1% increase over his earnings in 74-75. The Union offer would afford him a 5.2% increase.

The City submitted comparables of ten Cities (City Exhibit #6) which included the four submitted by the Union (Union Exhibit#1 page 36). The median salary paid to various officers who were second in command to the Chief (not necessarily denoted as Inspectors) was \$21,373.00. However, 7 of the 10 were paid overtime. There was no testimony as to the dollar amount earned as overtime by these officers. This overtime factor would have to, of course, be added to the median base in order to arrive at the actual amount of their compensation. Absent any testimony as to overtime paid, the Panel has had to draw a logical inference based upon the testimony as to the dollar figure paid for overtime to the subject Inspectors. The Panel has concluded that a fair inference is that the officers in the City's comparables have similar duties and therefore earn comparable overtime wages to that earned by the subject Inspectors. Therefore, the sum of \$2,515.00 (average of Baillors and Pickrahn's 74-75 overtime) has to be added to the above median figure of \$21,373.00 giving a total median pay for City comparables of \$23,888.00. Even, if it was hypothesized that the officers and the City comparables only earned 2/3 of the overtime actually paid the subject Inspectors, the figure would be \$1,685.00 which added to the median of \$21,373.00 equals \$23, 058.00. Both figures are closer to the Unions's Last Best Offer than to the City's.

The four Union comparables submitted had a median of \$22,757.00, but again, as to two of them, ie, St. Clair Shores and Roseville, overtime was paid which would bring the median well above the Union's offer.

Applying the above analysis as to overtime earnings, plus base salary in 1974-75, and the above analysis of the City's and Union's comparables, the Panel is persuaded to accept the Unions last best offer.

AWARD

The Union Bargaining Unit is awarded a salary of \$23,300.00 for contract year July 1, 1975 to June 30, 1976, with no payment for overtime.

Witness - Charles D. Beer

II. Furnishing a motor vehicle to the Inspectors for City business

- a. Last best offer of City - no motor vehicle shall be exclusively provided to either Inspector, but they shall be paid .12 per mile for use of their own vehicle for City business pursuant to present City policy.
- b. Last best offer of Union - a motor vehicle shall be provided for the exclusive use of both Inspectors for City business.

OPINION

It appears from the testimony that Inspecor Ballor has had exclusive use of a motor vehicle for City business for the past eight (8) years. However, the City's testimony showed that only two (2) department heads out of 17 plus the City Manager and Fire Prevention Officer have such a privilege. It was also shows that all employees required to use their personal vehicles for the City have received .12 per mile allowance. Further, the Chief of Police does not receive a City vehicle.

The Union did not submit evidence of comparables sufficient to persuade the Panel to its position.

AWARD

No motor vehicle shall be exclusively provided to either Inspector, but they shall be paid .12 per mile for use of their own vehicle pursuant to present City policy.

Concur - Charles D. Beer

III. Pension benefits.

- a. Last best offer of City - Pension benefits shall remain as set forth in 74-75 contract.
- b. Last best offer of Union - Pension benefits shall be paid in accordance with the same benefits to be paid to firefighters as per their contract for year beginning June 30, 1976.

OPINION

The only evidence submitted was that the firefighters received certain increased benefits effective June 30, 1976. Based upon subsection 9h of the above Act, the Panel is persuaded that the Union offer be accepted.

AWARD

Pension benefits shall be paid in accordance with the same benefits to be paid the firefighters as per their contract effective as of June 30, 1976.

Concur - Charles D. Beer

AWARD

All other terms and conditions as set forth in the 1974-76 contract between the parties are hereby incorporated by reference and made a part of this award.

Concur - Charles D. Beer

Richard L. Kanner
RICHARD L. KANNER, Chairman

Joseph Valenti
JOSEPH VALENTI, Union Panel Member

Charles D. Beer
CHARLES D. BEER, City Panel Member

Dated: December 8, 1975