

STATE OF MICHIGAN
EMPLOYMENT RELATIONS COMMISSION
COMPULSORY ARBITRATION

IN THE MATTER OF

CITY OF ALLEN PARK

MERC Case No. D93 E-0706

-and-

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

ALLEN PARK POLICE
OFFICERS ASSOCIATION

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ACT 312 AWARD

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APPEARANCES

FOR THE COMPULSORY ARBITRATION PANEL

Mark J. Glazer, Chairman
Richard A. Huebler, Employer Delegate
Susan Pitts, Union Delegate

FOR THE EMPLOYER

Kenneth D. Kruse

FOR THE UNION

Alison L. Paton

BACKGROUND

On October 26, 1993 the Union filed for arbitration with MERC. There are 34 members of this patrol unit, three of whom are dispatchers, with the rest consisting of patrol officers and corporals. A response was filed by the City on November 11, 1993.

On December 7, 1993 Mark J. Glazer was selected by the Commission as the panel chairman. A pre-hearing was held on January 6, 1994; thereafter, there were eight days of hearing and an executive panel session, in addition to a conference call. A voluminous amount of evidence and testimony was submitted to the panel for its consideration along with extensive post-hearing briefs.

The arbitral criteria for Act 312 are found in Section 9 of the Act. They are:

- a. The lawful authority of the employer;
- b. Stipulation of the parties;
- c. The interests and welfare of the public and financial ability of the unit of government to meet those costs.
- d. Comparison of 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 communities 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, continuity and stability of employment, and all other benefits received;

- g. Changes in any of the foregoing circumstances presented 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 determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact findings, arbitration or otherwise between the parties, in the public service or in private employment.

Pursuant to City of Detroit v. DPOA, 408 Mich 410 (1980) the panel need not afford equal weight to all of the Section 9 factors.

COMPARABILITY

The parties have stipulated to the following communities as comparables:

Eastpointe	Southgate
Ferndale	Trenton
Garden City	Wyandotte

ISSUES

The parties are in agreement that a three year contract should be considered consisting of a first year effective 7-1-93; the second year effective 7-1-94 and the third year effective 7-1-95, expiring June 30, 1996. The City denies an ability to pay the Union demands; the Union asserts that the Employer has the ability to pay.

JOINT ISSUES

The parties are in agreement concerning the joint issue of duration.

UNION ISSUES

The Union issues are:

1. Wages (first, second, and third year)
2. Pensions: eliminate second tier
3. Pensions: multiplier and eligibility
4. Pensions: final average compensation
5. Retiree Life Insurance
6. Employee Life Insurance
7. Dental Insurance
8. Optical Insurance
9. Health Insurance
10. Shift Differential
11. Longevity Pay
12. Letters and Memos

CITY ISSUES

The City issues are:

1. Wages
2. Employee Injuries
3. Freeze Sick Time: use last in first out
4. Proration of Allowances for Injured and Sick Employees
5. Sharing of Insurance Premium Increases
6. Health Insurance Eligibility
7. Drug Deductible
8. Insurance for Surviving Spouse
9. Withdrawn
10. Working Conditions

JOINT ISSUE I

DURATION

The Union and the City agree to a three year contract expiring June 30, 1996.


MARK J. GLAZER, Chairman

DATE: 10/2/95


SUSAN PITTS, Union Delegate

DATE: 10-6-95


RICHARD A. HUEBLER, Employer Delegate

DATE: 10-6-95

UNION ISSUE 1 and CITY ISSUE 1

WAGES

The Union's last best offers for the three years of the contract on wages are:

First Year: The Union's last best offer is an across-the-board wage increase of 3% for all classifications, effective 7/1/93 with full retroactivity.

Second Year: The Union's last best offer is an across-the-board wage increase of 3% for all classifications, effective 7/1/94 with full retroactivity.

Third Year: The Union's last best offer is an across-the-board wage increase of 3% for all classifications, effective 7/1/95 with full retroactivity.

The Employer's last best offer on wages for the three years is:

The City proposes wages increases of 2.7% for 7/1/93 and 2.7% for 7/1/94 and 2.7% for 7/1/95:

	<u>7/1/93- 6/30/94</u>	<u>7/1/94- 6/30/95</u>	<u>7/1/95- 6/30/96</u>
Police Officer (0-1 yrs.)	26,552.06	27,268.97	28,005.23
Police Officer (1-2 yrs.)	28,815.57	29,593.59	30,392.62
Police Officer (2-3 yrs.)	30,715.52	31,544.84	32,396.55
Police Officer (3-4 yrs.)	32,618.55	33,499.25	34,403.73
Police Officer (4-5 yrs.)	34,520.55	35,452.60	36,409.82
Police Officer/Corp. (5 + yrs.)	39,927.71	41,005.76	42,112.92

The other police and fire units within Allen Park do not have settled contracts. The AFSCME unit settled for 2.7% for the first two years of their contract and a wage reopener for the third year. The comparables show the following increases:

<u>CITY</u>	<u>93-94</u>	<u>94-95</u>	<u>95-96</u>
Eastpointe	4%	4%	3%
Ferndale	2%	2.5%	3%
Garden City	0%	3%	3%
Southgate	3%	3%	3%
Trenton	4%	4%	4%
Wyandotte	\$500 lump = 1.3%	1%	3%

The dollar figures for these increases are:

<u>POLICE OFFICERS</u>			
<u>CITY</u>	<u>1993-1994</u>	<u>1994-1995</u>	<u>1995-1996</u>
Allen Park	\$39,927	\$41,005	\$42,112
Southgate	\$38,111	\$39,254	\$40,432
Trenton	\$37,959	\$39,477	\$41,057

<u>CITY</u>	<u>1993-1994</u>	<u>1994-1995</u>	<u>1995-1996</u>
Wyandotte	\$37,565	\$38,255	\$39,916
Eastpointe	\$38,767	\$40,318	\$41,528
Garden City	\$39,437	\$40,622	\$41,840
Ferndale	\$39,481	\$40,526	\$41,694

For dispatchers:

<u>CITY</u>	<u>1993-1994</u>	<u>1994-1995</u>	<u>1995-1996</u>
Allen Park	\$27,811	\$28,561	\$29,332
Southgate	\$20,886	\$21,743	\$22,922
Garden City	\$22,676	In nego- tiation	In nego- tiation
Ferndale	\$24,138	\$24,741	\$25,483

The Union argues that the City has created an extensive delay in resolving this matter, which in itself, would justify its offer. Further, the cost of living data is said to support the Union. It is emphasized that Allen Park police officers must work longer than the comparables to achieve fully paid status, and that there is a 6% employee contribution rate for pensions, which is higher than the comparables. Finally, it is suggested that Allen Park lags the comparables in overall compensation and that the AFSCME settlement involved other increases for that unit.

Allen Park argues that with its offer, Allen Park patrol officers will be the highest paid among the comparables. The overall effect of the Union's offer is said to be \$112,320.00.

DISCUSSION OF FIRST YEAR WAGES

A review of the comparables reveals that in the first year of the contract, 1993-1994, the average increase among the comparables was 2.38%. Included within that figure was a 0% increase for Garden City and a 1.3% lump sum payout for Wyandotte. The 2.38% for the comparables is much closer to the 2.7% offer by Allen Park than the 3% offered by the Union. Also, as I will indicate later, the bargaining unit will achieve a gain in pensions: often a pension improvement is reflected in a lower wage increase in one year of a contract. This is a factor under Section 9 (h) of Act 312. Because of the pension improvement and the low percentage increases by the comparables, the Employer's 2.7% first year offer is awarded.

AWARD FOR FIRST YEAR WAGES

The 2.7% offered by the Employer on wages for the first year of the contract is awarded.

Mark J. Glazer

MARK J. GLAZER, Chairman

DATE: 10/2/95

Susan Pitts

SUSAN PITTS, Union Delegate

DATE: 10-6-95

CONCUR DISSENT X

Richard A. Huebler

RICHARD A. HUEBLER, Employer Delegate

DATE: 10-6-95

CONCUR X DISSENT

DISCUSSION OF SECOND YEAR WAGES

The increases enjoyed by the comparables changes the situation in the second year of the contract. The comparables show average increases of over 2.9%. Under Section 9 (d) of the Act, this evidence would favor the Union's 3% offer over the Employer's 2.7% offer. Further, there has been a delay in the Union receiving its money, which has eroded the value of its 3% offer. Accordingly, the Union's second year offer of 3% should be awarded.

After a careful and comprehensive review of the financial data, I am unpersuaded that the City lacks the ability to pay this increase, as well as the other increases awarded in this proceeding.

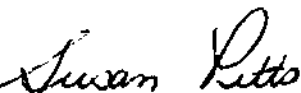
AWARD FOR SECOND YEAR WAGES

The 3% offer of the Union is awarded for the second year wages in the contract.



MARK J. GLAZER, Chairman

DATE: 10/11/95



SUSAN PITTS, Union Delegate

DATE: 10-6-95

CONCUR X DISSENT



RICHARD A. HUEBLER, Employer Delegate

DATE: 10-6-95

CONCUR DISSENT X

DISCUSSION OF THIRD YEAR WAGES

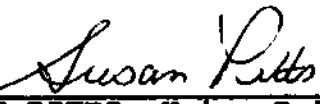
The evidence is even more compelling for the Union in the third year. The average wage increase for the comparables was 3.16%; five of the comparables received 3% and one received 4%. A 3% increase is clearly required under Section 9 (d) of the Act.

AWARD FOR THIRD YEAR WAGES

The Union's 3% offer for the third year of the contract is awarded.




MARK J. GLAZER, Chairman
DATE: 10/21/95



SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR X DISSENT



RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR DISSENT X

UNION ISSUE 2

PENSIONS - ELIMINATE SECOND TIER

The Union's offer is as follows:

The Union's last best offer is to eliminate the "second tier" and accordingly to remove Section 9, 10 and 11 of Article IX of the contract, effective July 1, 1995.

The City proposes to retain the status quo.

Currently, the contract provides two different plans for pre and post 1985 employees: pre-85 employees retire with a full pension at age 52 and receive the 70% pension maximum after 28 years; post-85 employees achieve pension eligibility at age 54.5 and need 31 years of service to achieve the 70% maximum.

The Union feels that the two tier system is demoralizing to young officers. It is further noted that of the comparables, only Wyandotte has a two tiered system. The cost to the Employer is seen as being no more than \$12,412.00, and more likely with a different valuation system, to be \$10,338.00 per year. The actuarial gains that the City has been experiencing are seen as justifying this pension improvement.

The City argues that the pension costs will be significant if the two tiered system is eliminated, and that the Union is improperly attempting to reconsider an issue that was resolved in the 1980's.

DISCUSSION OF TWO TIERED PENSION

Section 9 (g) of the Act requires the panel to consider changed circumstances during the pendency of the arbitration hearing. It is impossible to ignore that during proceedings the union panel delegates changed twice due to promotions. In all, due to promotions and retirements, the unit now has 11 new officers.


Therefore, a significant portion of the bargaining unit finds itself in the "second tier". It is not in the interest of

the public to have a large portion of the unit feel that they are "second class citizens". Further, under Section 9 (h) it would be expected that if this case proceeded through traditional collective bargaining, the large number of new hires in the unit would require bargaining for an end to the two tiered system. Also, the evidence suggests that the expense of eliminating the two tiered system will not be overwhelming to the City, especially if it obtains adjusted actuarial gains.


Finally, the AFSCME unit in Allen Park received a pension improvement in the form of a reduction in final average compensation from four years to three. Therefore, a pension improvement for the patrol officers is consistent with 9 (d) of the Act. The first year wage also supports the pension improvement.

AWARD ON TWO TIER PENSIONS

The Union's last best offer on the elimination of the two tiered pension is awarded.




MARK J. GLAZER, Chairman
DATE: 10/2/95



SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR X DISSENT



RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR DISSENT X

UNION ISSUE 3

PENSION - MULTIPLIER & ELIGIBILITY

The Union proposes in its last best offer the following new section:

The Union's last best offer is to add a new section to Article IX providing as follows:

Effective for retirements occurring on or after July 1, 1995, the multiplier shall be 2.8% for all years of service, up to a maximum of seventy (70%) percent, and the voluntary age of retirement shall be age fifty (50).

The City proposes the status quo on this offer.


DISCUSSION ON PENSION - MULTIPLIER & ELIGIBILITY


The Union proposal would raise the pension multiplier to 2.8% from 2.5% and would lower the age of retirement from 52 to 50.

The Union had indicated at the arbitration hearing that it was withdrawing this issue, and therefore did not focus on presenting proofs. Further, none of the comparables have the 2.8% multiplier that is sought by the Union. The cost, when added to the elimination of the two tiered system, would militate against awarding an increase in the multiplier/eligibility in this proceeding.


AWARD ON PENSION - MULTIPLIER & ELIGIBILITY

The Employer's last best offer on maintaining the status quo on pension - multiplier & eligibility is awarded.


MARK J. GLAZER, Chairman
DATE: 10/2/95


SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR DISSENT X


RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR X DISSENT

UNION ISSUE 4

PENSION - FINAL AVERAGE COMPENSATION

The Union seeks to have unused sick days, up to one-half of the employee's total, included in final average compensation for pension purposes. Its last best offer states:

The Union's last best offer is to add a new section to Article IX providing as follows:

Effective for retirements occurring on or after July 1, 1993, final average compensation shall include one-half (1/2) of the employee's final payout for unused sick leave received pursuant to the provisions of Article XVI, Section 2. For example, an employee who retires with 170 or more unused sick days shall be paid for 170 days under Article XVI, Section 2 (B), but shall have only one-half of that payment (i.e., payment for 85 sick days) included in final average compensation.

The Employer offers an increase in final average compensation to include up to ten vacation days. The Employer's last

best offer states:

Effective for retirement after April 1, 1994, that final average compensation include the final payout for unused vacation time up to Ten (10) days; Article IX to be modified accordingly. (City proposes Status Quo regarding any other increases the Union proposes.)

It is the City's position that the Union's offer will eventually cost it \$129,681.00 throughout the City. The City further emphasizes that police officers retain a unique benefit at retirement by being able to be paid for up to 170 unused sick days. The cost to the City of its ten day vacation proposal is seen as being \$19,000.00 for all police and fire units.

The Union asserts that the comparables would support the inclusion of up to 85 sick days in FAC. It is noted that four of the six comparables include sick leave. The cost is argued to be at most \$34,944.00 per year or more likely \$24,015.00. Because of the bargaining unit's 6% contribution rate and the comparables, the Union feels that it should prevail on this issue.

DISCUSSION OF PENSIONS/FINAL AVERAGE COMPENSATION

The Union is achieving in this arbitration an important pension gain in the elimination of the two tiered system, which transcends comparability, and essentially is designed to promote the interest of the public and the welfare of the officers. It would not be expected that the bargaining unit under Article 9 (h) would achieve two major pension gains, especially when it was awarded one that was not supported by comparability, and in fact, the past practice was to the contrary. Further, the com-

bined costs of the two tiered award and an increase in FAC payout would not be supported on the present record.

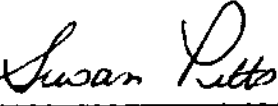
I would indicate, however, that the City has indicated that the retention of 170 sick days at retirement is a quid pro quo for not increasing FAC at retirement. This should be remembered when the City's proposal on sick day payout is discussed.

Finally, there was testimony that most retirements occur at the higher ranks outside of this patrol unit. While the two tiered system is of pressing importance to this unit which is now highly populated by new hires, the FAC improvement issue is more pressing for the other units. This is a relevant 9 (h) factor.


AWARD ON PENSION/FAC

The City's last best offer to include up to ten vacation days in FAC is awarded. The Union's offer on this issue is rejected.


MARK J. GLAZER, Chairman
DATE: 10/2/95


SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR DISSENT X


RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR X DISSENT

UNION ISSUE 5

LIFE INSURANCE FOR RETIREES

The Union seeks to increase life insurance for retirees from \$7,500.00 to \$10,000.00. Its offer states:

The Union's last best offer is to add the following sentence at the end of Article XIII, Section 2, to be effective thirty (30) days after issuance of the Act 312 award:

Effective [fill in 31st day from issuance of Act 312 Award], for police officers and corporals retiring on or after July 1, 1993, a life insurance policy in the amount of \$10,000.00 shall be paid for by the City for each retiree.

The Employer proposes a retention of the status quo.

The Union notes that police sergeants and lieutenants, inspectors and AFSCME retirees receive \$10,000.00 in insurance. The firefighters are currently receiving a \$7,500.00 benefit. The City states that only Southgate, among the comparables, has \$10,000.00 of insurance for retirees. The Union argues that there hasn't been an improvement in the benefit for over 25 years.

DISCUSSION OF LIFE INSURANCE FOR RETIREES

The cost of this demand is \$21.00 per year for officers retiring after July 1, 1993. This is a relatively minor cost item for the City; however, granting the benefit will increase morale by creating parity for the patrol officers with other police officers in the City and the AFSCME unit. Under 9 (d) and 9 (h) of the Act the Union's last best offer should be accepted.

AWARD ON RETIREE LIFE INSURANCE

The last best offer of the Union increasing the life insurance for retirees to \$10,000.00 is awarded.

Mark J. Glazer
MARK J. GLAZER, Chairman
DATE: 10/2/95

Susan Pitts
SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR X DISSENT

Richard A. Huebler
RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR DISSENT X

UNION ISSUE 6

EMPLOYEE LIFE INSURANCE

The Union seeks to increase the benefit for bargaining unit members from \$25,000.00 to \$30,000.00 for life insurance. The Union's last best offer states:

The Union's last best offer is to add the following sentence at the end of Article XIII, Section 2, to be effective thirty (30) days after issuance of the Act 312 award:

Effective [fill in 31st day from issuance of Act 312 award], for police officers and corporals, the employee life insurance shall be increased from \$25,000 to \$30,000.

The Employer proposes to retain the status quo at \$25,000.00.

The Union notes that its proposed increase would not apply to dispatchers. It maintains that the average life insurance for the comparables is slightly under \$30,000.00, and that the

other two police units are already at \$30,000.00. The Union further argues that there hasn't been an increase since 1988.

The City maintains that AFSCME and the firefighters have \$25,000.00 in life insurance. When the overall package is considered, an increase in this benefit is seen as being inappropriate by the City.

DISCUSSION OF EMPLOYEE LIFE INSURANCE


Four of the six comparables enjoy a \$30,000.00 life insurance policy or higher. The cost of an improvement to \$30,000.00 is \$42.00 a year per employee or roughly \$1,300.00 per year for the unit. Therefore, Article 9 (d) favors the Union. Elsewhere in this award the Employer will be awarded savings. Consequently, under 9 (h) it is appropriate to award the Union's offer.

AWARD ON EMPLOYEE LIFE INSURANCE

The Union's last best offer on life insurance for employees is awarded, increasing the benefit to \$30,000.00.




MARK J. GLAZER, Chairman
DATE: 10/2/95



SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR X DISSENT



RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR DISSENT X

UNION ISSUE 7

DENTAL INSURANCE

The Union seeks an upgrade to a zero co-pay from a 30% co-pay for class I dental coverage. It also seeks a raise in the dental cap from \$600.00 to \$1,000.00. The Union's offer is:

The Union's last best offer is to add the following sentence at the end of the first paragraph of Article VIII, Section 3, to be effective thirty (30) days after issuance of the Act 312 award.

Effective [fill in 31st day from issuance of Act 312 award], the dental insurance shall be upgraded to 100%/0% co-payment for Class I preventive and diagnostic services and emergency palliative treatment (balance of Class I and Class II to remain the same), and the maximum benefit payable in any one contract year shall be increased to \$1,000.00 per person.

The City offers to raise the cap to \$1,000.00, while preserving the deductible. The Employer's offer states:

Amend Article XIII, Section 3, Page 23, as follows:

Section 3 - Dental Insurance. The City shall provide for employees and eligible members of employee's family: Delta Dental Plan, Full Family Coverage, Class I & II, 70% - 30% Co-payments, with maximum benefit payable in any one contract year not to exceed \$1,000.00 per person.

Retired employees shall continue to be covered by this plan, cost sustained by the City, until the retired employees reaches age 65 or is eligible for Medi-Care. Should an employee, active or retired, become deceased, said employee's spouse and eligible dependents under the plan shall continue to be covered by said insurance, provided said spouse remains unmarried. Retired employees who obtain employment from an employer who provide dental insurance shall not be covered by the City's dental insurance for duration of such employment.

Effective July 1, 1985, the City shall provide for active employees and eligible members of employee's family (eligible dependents only to age 19) a new plan which will include orthodontic services at 50% co-pay with a maximum not to exceed one thousand (\$1,000.00) dollars per person, lifetime maximum.

Should an active employee become deceased, said employee's spouse and eligible dependents under the plan shall continue to be covered by said insurance, provided the spouse remains unmarried.

The City notes that no other Allen Park unit has a zero deductible for dental insurance, and that only one comparable city has a zero deductible.

The Union argues that Eastpointe has only a 50% co-pay for x-rays; Ferndale has only a 20% co-pay; Garden City has a 25% co-pay; Southgate has a 20% co-pay; Trenton has a 20% co-pay and Wyandotte has no employee co-pay. The Union further asserts that the premium cost of \$48.00 per officer is a bargain and that other units within the City have achieved this benefit.

DISCUSSION OF DENTAL INSURANCE

The Union's offer would place Allen Park number 3, behind Wyandotte and Southgate on co-pays. Currently, with a 30% co-pay it is at number 6. The Employer's \$1,000.00 cap offer would place Allen Park ahead of Ferndale at \$750.00, Eastpointe at \$800.00, and tied with Wyandotte, Garden City and Southgate. Trenton has no cap.

Therefore, if the Employer's offer is adopted, Allen Park would be ahead of two comparables on caps, and tied with three others: only Trenton would be ahead. The Employer's offer on

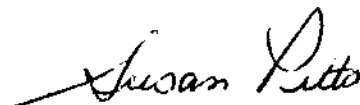
co-pays would leave Allen Park at number 6. The Union's offer would result in Allen Park moving to number 3 on co-pays.

When the overall package is considered, including the other gains by the Union, the Employer's offer to increase the cap to \$1,000.00 is all that is required.


AWARD ON DENTAL INSURANCE

The Employer's last best offer on dental insurance is awarded.


MARK J. GLAZER, Chairman
DATE: 10/2/95


SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR DISSENT X


RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR X DISSENT

UNION ISSUE 8

OPTICAL INSURANCE

The Union seeks an upgrade to Co-op Optical Plan B. Its offer states:

The Union's last best offer is to delete the current second paragraph of Article XIII, Section 4, and replace It with the following paragraph:

Effective [fill in 31st day from issuance of Act 312 award], the optical insurance shall be upgraded to Co-op Optical Plan B.

The Employer offers the status quo.

The Union contends that all of the comparables with the exception of Eastpointe have optical insurance that is comparable or better than that proposed by the Union. The other police units in Allen Park, it is also noted, have the optical plan B.

The City argues that the external comparables are not much help, because they have different types of plans. When the statutory factors are considered, it is argued by the City that the Employer's plan should be accepted.

DISCUSSION OF OPTICAL PLANS

Internal comparability with the other police units within Allen Park favors the Union. The external comparability is difficult to establish, but at a minimum, it wasn't shown that the comparables have lower coverage than that proposed by the Union.

This a modest cost item for the City. When the overall package is considered under Section 9 (h), this benefit should be granted to the Union.

AWARD ON OPTICAL PLANS

The Union's last best offer on optical is awarded.



MARK J. GLAZER, Chairman

DATE: 10/2/95

Susan Pitts
SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR X DISSENT

Richard A. Huebler
RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR DISSENT X

UNION ISSUE 9

HEALTH INSURANCE

The Union proposes to allow employees to join the M-Care Point of Service Plan. Its offer states:

The Union's last best offer is to add the following new subsection "C" to Article XIII, Section 1, to be effective thirty (30) days after issuance of the Act 312 award:

C. Effective [fill in 31st day from issuance of Act 312 award], in supplementation of the foregoing provisions, any employee or retired employee regardless of the date of hire shall have the option of selecting the M-Care Point of Service Plan, as described in "Attachment A" to this contract, in lieu of Blue Cross/Blue Shield or an HMO, cost sustained by the City.

The City would propose the status quo, which would preclude the M-Care plan.

Bargaining unit members presently have the choice of HAP, which is an HMO, or a Blue Cross traditional plan at their own expense.

The M-Care plan presented by the Union includes the U of M

Hospitals, and other major medical centers: there is full hospitalization coverage within the network and a co-pay outside of the network. The HAP plan includes only the Henry Ford Hospital system.

The Union feels that M-Care allows its members more flexibility than HAP, including the possibility of going outside of the network for necessary care, which HAP doesn't permit. The Union emphasizes that M-Care should be considered an HMO, and it maintains that it will save the City money. The Union further argues that under Section 9 (d), the comparables don't require HAP, but merely offer HAP as an option.

The City fears that if current employees shift from HAP to M-Care, this could have a negative cost effect. The City also fears that it could lose its Blue Cross business throughout the City if there is a substantial shift to M-Care because of Blue Cross's 75% participation rule. The City further notes that none of the comparables have M-Care Point of Service.

DISCUSSION OF HEALTH INSURANCE

The evidence indicates that Blue Cross will co-exist with M-Care, if M-Care is chosen for this bargaining unit. The evidence further reveals that some bargaining unit members are dissatisfied with the Henry Ford system under HAP, and would prefer the expanded opportunities presented by M-Care such as the University of Michigan Hospital, Oakwood and Beaumont. Finally, there is a suggestion that M-Care will save the City money.

Insofar as problems with Blue Cross are speculative at this

time, there is no reason not to offer M-Care, when it will meet the needs of the bargaining unit and possibly save the City money. Therefore, under 9 (h) the M-Care program should be offered. I am particularly influenced by the large numbers of new members in the bargaining unit, who will benefit from an expanded choice over HAP; this will be in the best interest of the City and the public.

AWARD ON HEALTH CARE

The M-Care plan of the Union is awarded on health care.

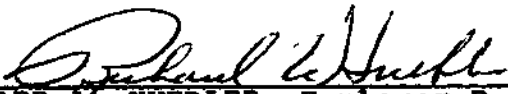


MARK J. GLAZER, Chairman
DATE: 10/2/95



SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR X DISSENT



RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR DISSENT X

UNION ISSUE 10

SHIFT DIFFERENTIAL

The Union's last best offer would change shift differential from a flat rate of 25¢ for afternoons and 45¢ for midnights to 2.5% of compensation for afternoons and 3.5% for midnights. The Union's last best offer reads:

The Union's last best offer is to add the following sentence at the end of the first paragraph of Article XII, Section 9:

Effective July 1, 1993, shift differential shall be increased to 2.5% of the employee's base salary for afternoons, and 3.5% of the employee's base salary for midnights.

The City's last best offer would increase the midnight shift differential to 50¢. It reads:

The City proposes to amend Article XII, Section 9, Page 21 as follows:

Section 9 - Shift Differential Pay. Effective July 1, 1987, employees who work rotating Eight (8) hour shifts shall be paid 25 cents additional for each hour worked between 4:00 p.m. and midnight, and 50 cents additional for each hour worked between midnight and 8:00 a.m.

- A. Shift Differential Pay shall be paid in the first week of August of each year.
- B. This section shall not in any way be interpreted or construed as being any alteration or abridgement of any of the provisions of Article XII, Section 1, of this Agreement.

The Union argues that shift pay has remained stagnate since 1987. It further notes that Ferndale has a percentage-based shift differential system.

Allen Park asserts that the Union's offer is higher than the comparables, including Ferndale's. The cost of the Union's demand is seen as being \$9,000.00 per year.

DISCUSSION OF SHIFT DIFFERENTIAL


Neither internal nor external comparability supports the Union's offer. The percentage system hasn't been adopted by the comparable communities except for Ferndale, where even there the

payment level is lower. The other bargaining units within the City don't have percentages for shift differentials. Consequently, the Section 9 factors would not support the Union's demand.

AWARD ON SHIFT DIFFERENTIAL

The Employer's last best offer on shift differential is awarded.


MARK J. GLAZER, Chairman
DATE: 10/2/95


SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR DISSENT X


RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR X DISSENT

UNION ISSUE 11

LONGEVITY PAY

The present longevity formula is the following: \$25.00 for each year of service up to 10; \$30.00 for each year of service over 10. The Union offers a percentage-based longevity formula as follows:

The Union's last best offer is to modify Article XII, Section 6 to provide as follows, to be effective July 1, 1993:

Section 6 - Longevity Pay. Each employee shall be paid an annual Longevity Pay in accordance with the following schedule:

1 to 4 years of service	0.5% of employee's base salary
5 to 9 years of service	1.0% of employee's base salary
10 to 14 years of service	1.5% of employee's base salary
15 to 19 years of service	2.0% of employee's base salary
20 years of service and up	3.0% of employee's base salary

Longevity pay shall be computed on November 1 of each year and payment shall be made on or before November 15 of each year. Employees receiving their first longevity pay shall receive a prorated pay computed from their date of employment to November 1.

The Employer proposes to retain the status quo.

It is noted by the Union that two of the six comparables have a percentage-based longevity formula. They are Eastpointe and Ferndale, with a \$1,600.00 and a \$2,900.00 cap respectively. The Union strongly argues that it will not exceed either of these caps in the present contract. It is further noted that Allen Park is lagging behind the comparables at each step of longevity pay.

The City argues that Allen Park begins to pay for service after one year, unlike all but one of the comparables. It is also noted that the cost of the Union's offer would be in excess of \$15,000.00 per year.

DISCUSSION OF LONGEVITY PAY


The Union's proposal is uncapped; therefore, unless it is later removed from the contract it provides a potentially unlimited increase to longevity pay based upon salary increases. This result isn't supported by the comparables, where even those that have percentage-based longevity pay also have a dollar limit. Further, the comparables as a group would not support a percentage based system. Finally, the overall compensation received by

the bargaining unit in this proceeding would not support the additional monies requested to support this issue.

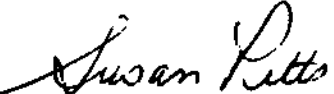
One further point: under Section 9 (h), it is an unlikely result of collective bargaining for an employer to willingly permit an open ended percentage-based longevity system, where it would lose control of costs in future years.

AWARD ON LONGEVITY PAY

The last best offer of the Employer is awarded on longevity pay.




MARK J. GLAZER, Chairman
DATE: 10/2/95



SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR DISSENT X



RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR X DISSENT

UNION ISSUE 12

LETTERS AND MEMOS

Memo on Medicare Supplement Dated April 1, 1992

The parties agree that this memo will be made part of their agreement.

AWARD ON MEDICARE SUPPLEMENT DATED APRIL, 1992

The memo on medicare supplement dated April, 1992 shall become part of the collective bargaining agreement.




MARK J. GLAZER, Chairman
DATE: 10/2/95



SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR X DISSENT _____



RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR X DISSENT _____

**Letter on Uniform Helmets/
Hats Dated February 11, 1992**

The Union asks that this memo dated February 11, 1992 remain in full force and effect; the City asks that the memo not be carried forward. The letter of agreement states:

The City of Allen Park and its Police Department ("Employer") and The Allen Park Police Officers Association ("Union") hereby agree to the following: which shall be a change of policy to the parties' collective bargaining agreement, Article XI - (Working Conditions); Section 15, para A and B.

New Language;

Section 15 - Uniform Helmets/Hats.

- A. Officers on patrol may equip themselves with lightweight duty helmets (specifications to be provided) at the discretion of each officer. The use of common sense will prevail.

- B. Uniform hats will be maintained by officers during working hours but will be worn at the discretion of each officer. The use of common sense will prevail.

/s/
For the City
Acting Chief
Kenneth Ford

/s/
For the Union
President
Richard Curtis

The current contract states in section 15:

Section 15 - Uniform Helmets/Hats.

A. Officers on patrol may equip themselves with lightweight duty helmets (specifications to be provided).

B. Uniform hats need not be worn when tactical considerations outweigh the necessity for a uniform appearance and specifically when dealing with:

- i. Gun calls.
- ii. Fight calls.

The Union argues that this letter was agreed to as the result of officers fearing discipline for failing to wear their hats when doing so would compromise their safety. They also, according to the Union, feared discipline for walking out of the police station without wearing a hat. The Union believes that there hasn't been a situation where the officers haven't properly exercised their discretion to wear or not to wear a hat.

The City argues that there is no reason why the existing contract language should be changed, and that the officers will refuse to wear hats at any time if the current letter is retained.

DISCUSSION OF HATS AND HELMETS


The various letters and memos can be viewed as separate

issues, insofar as they involve separate consideration for the panel. This was a concern of the Union's.


Regarding the merits, the main concern of the Union's is that their officers will be forced to wear their hats when there are windy conditions on I-94, based upon the current contract language. The new language in the letter requires common sense to prevail in the wearing of hats. This is not been shown to have been an unacceptable standard or even a problem. Accordingly, the Union's last best offer on hats and helmets should be adopted.

AWARD ON HATS AND HELMETS

The Union's last best offer on helmets/hats is awarded.



MARK J. GLAZER, Chairman
DATE: 10/2/95



SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR X DISSENT



RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR DISSENT X

UNION ISSUE 13

**GRIEVANCE SETTLEMENT LETTER ON INSURANCE CONTINUATION
FOR SURVIVING DEPENDENTS (GRIEVANCE NO. 92-01)**

The following grievance settlement exists between the parties for surviving dependents:

It is hereby agreed by and between the CITY OF ALLEN PARK POLICE OFFICERS ASSOCIATION (hereinafter "Association") and the CITY OF ALLEN PARK (hereinafter "City") that Grievance Number 92-01 be resolved as follows:

- 1) The Association and the City agree that the language in Article XIII, Section 1, 3, and 4 concerning surviving non-married spouses and eligible dependents means that the City will continue to provide insurance to the spouse and eligible dependents, regardless of the type of retirement selected. It is further understood that said surviving non-married spouse must have been married to the retired employee and eligible dependents must have been dependent at the time the employee retired.
- 2) The above medical, dental and optical coverage will continue as provided in Article XIII.

For the City:

For the Union:

/s/

/s/

The City would like to delete this settlement; the Union would like for it to continue into the contract.

It is the City's position that an employee taking a straight-life pension, who hasn't provided for his spouse or dependents, shouldn't be permitted to have health care for these same individuals. A person taking a straight-life pension receives a higher rate, based upon no residual payments for spouses or dependents. The City suggests that if a retiree wishes to provide for health care for his spouse and dependents, he or she need only take a retirement based on a format other than straight-life.

The Union argues that for 20 years straight-life retirees have had health care for their surviving spouses and dependents.


It is noted that three of the comparables maintain health care for straight-life retirees, and only two support the City.

**DISCUSSION OF HEALTH COVERAGE
FOR SURVIVING DEPENDENTS**

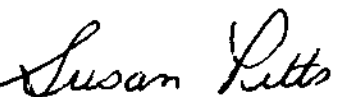
In deleting the two tiered pension system, I was willing to terminate a long standing practice for a good reason that was presented under the Act. Here, the interest of promoting pensions isn't served by having an employee exclude his family from the residual benefits of his or pension, but not health care. It is logical to tie health care to other pension benefits, and therefore under 9 (h) and 9 (f) the Employer's offer should be adopted.

**AWARD ON HEALTH CARE
FOR STRAIGHT-LIFE RETIREE DEPENDENTS**

The Employer's last best offer to delete the grievance settlement on insurance coverage for surviving dependents (grievance number 91-01) is awarded.




MARK J. GLAZER, Chairman
DATE: 10/2/95



SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR DISSENT X



RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR X DISSENT

CITY ISSUE 1

WAGES

The first City issue concerning issue has previously been addressed and is incorporated.

CITY ISSUE 2

EMPLOYEE INJURIES

The City would delete a supplement to worker's compensation payments in the present contract. Its offer states:

Amend Article VII, Section 4A, Page 8 - Employee Injuries

A. Whenever an employee is injured or becomes ill from an on-duty event, or while off duty and acting in the capacity of his/her oath of office, and is unable to work, employee will receive Workers Compensation wages as computed by the Workers Compensation carrier. The employee may supplement the differential in Workers Compensation wages and his/her regular wages with the use of accumulated sick time.

The Union's last best offer would keep the supplement, but would prevent an employee from making more money on workers compensation than he or she would have made while working. The Union's last best offer states:

The Union's last best offer is to retain the current language of Article VII, Section 4(A), but to add to it at the end the following sentence:

Effective July 1, 1995, in continuing the employee's normal rate of pay without a loss of accumulated sick leave days, in no event shall the injured employee receive a total net amount the employee would have received if he/she were still working.

The City is concerned that employees will stay off work on

workers compensation because they will be able to make more money that way than if they were working, and an actual situation is cited. The Union's standard in its offer is said to be vague, thus creating the possibility of future difficulties later.

The Union argues that the City would unfairly eliminate a long practice of supplementing workers compensation, a practice that has existed for over 20 years. It is emphasized that the comparables provide for a City-paid supplement to workers compensation.

DISCUSSION OF EMPLOYEE INJURIES

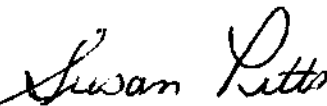
It is clear that the Employer's offer was the result of an employee who made more money on workers compensation than he did while working. The Union's last best offer addresses this concern. Further, the comparables support the Union's offer, and it is in the interest of the public to have officers who are injured in the line of duty adequately compensated. Accordingly, the last best offer of the Union should be awarded.

AWARD ON EMPLOYEE INJURIES

The Union's last best offer on employee injuries is awarded.



MARK J. GLAZER, Chairman
DATE: 10/2/95



SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR X DISSENT


RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR DISSENT X

CITY ISSUE 3

TIME OFF BENEFITS

In this issue the City proposes to freeze all sick time at the June 30, 1995 rate. Thereafter, all sick time will be frozen at the rate earned, and sick time will be utilized on a last-in-first-out basis. The Employer's last best offer reads:

Amend Article XVI - Time Off Benefits, Section 2, Page 27

Add new Sub-Section E:

E. Effective July 1, 1995 all accumulated sick time will be frozen at the June 30, 1995 applicable rate. All future accumulation will be credited and frozen at the rate earned. All used sick time will be deducted as the Last-In-First-Out.

The Union's last best offer would retain the current contract language, which pays up to 170 days of sick leave upon retirement at the then current contract rate.

The City argues that only Southgate of the comparables permits 200 sick days upon retirement, but then only for pre-1981 retirees. The other comparables are said to be well below Allen Park's rate, although it is conceded that with the exception of Ferndale, there isn't a freeze on payment rates. It is emphasized that the City's sick bank liability exceeds 1.4 million dollars.

The Union argues that the City is attempting to achieve a major reduction in a retirement benefit. It maintains that only Ferndale has a freeze, and that that freeze is of limited applicability to employees.

DISCUSSION OF TIME OFF BENEFITS

The evidence from the comparables supports the Union, insofar as none have the degree of a freeze sought by the Employer. Moreover, the evidence reveals that most employees retire in Allen Park at the command ranks; therefore, under Section 9 (h), the sick day freeze issue is one that is most applicable to the higher level bargaining units.

Most importantly, the City in its argument against increasing Union pension benefits relies upon the 170 day sick leave payment as a reason for not raising other pension benefits. The City states at page 29 of its brief, "It is contended by the City that the Arbitrator should consider the sick time to be a retirement benefit". Insofar as a number of pension improvements have been denied, the sick leave benefit should be retained as the quid pro quo for not making further pension increases. This is a relevant factor under 9 (h) of the Act.

AWARD ON TIME OFF BENEFITS

The Union's last best offer to maintain the status quo is awarded on the City's proposal to freeze sick leave benefits and related positions.

Mark J. Glazer
MARK J. GLAZER, Chairman
DATE: 10/2/95

Susan Pitts
SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR X DISSENT

Richard A. Huebler
RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR DISSENT X

CITY ISSUE 4

SALARIES AND CASH ALLOWANCES FOR EMPLOYEES OFF WORK DUE TO ILLNESS OR INJURY

In this issue, the City is seeking to prorate certain benefits for an officer who has been off work for 90 days. Its offer states:

Amend Article XII Salaries and Cash Allowances, Page 20,
Add new section 11.

Section 11 - Proration of Allowances

Employees who are off work due to an injury or illness for a period of time equal to and beyond ninety (90) calendar days will not be compensated for the pro-rated sick time, and clothing, cleaning and gun allowances that would have been accumulated during the ninety (90) day period and beyond. If payments are made in advance, then the pro-rated amount will be deducted from the next payment(s) of allowance(s) or termination payment.

The Union would retain the current contract language.

The City argues that an officer who is off work for a significant period of time doesn't need a clothing or uniform allowance. It is noted that Wyandotte terminates benefits of this type after a period of time.

The Union asserts that there is a 20 year practice of paying the benefits at issue and five of the six comparables support the Union. It is further contended that the other City bargaining units enjoy this benefit.

DISCUSSION OF SALARIES AND CASH ALLOWANCES FOR ILL OR INJURED EMPLOYEES

The Section 9 (d) factors on comparability support the Union, both externally and internally. Moreover, the Employer in its last best offer targets duty-related injuries as well as non-duty related ones. Elsewhere in the contract the intent is presented to keep employees fully compensated for an on-the-job injury. The Employer's last best offer would run counter to this intent. Accordingly, the Union's last best offer should be awarded.

It should be noted, however, that the payment of this benefit should not be considered a bonus to employees, but rather only compensation for a legitimate illness or injury. If an employee is abusing sick leave, that should be dealt with through other provisions in the contract.

AWARD ON SALARIES AND CASH ALLOWANCES FOR ILL OR INJURED EMPLOYEES

The Union's last best offer to maintain the status quo on

salaries and cash allowances for ill or injured employees should be awarded.

Mark J. Glazer
MARK J. GLAZER, Chairman
DATE: 10/2/95

Susan Pitts
SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR X DISSENT

Richard A. Huebler
RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR DISSENT X

CITY ISSUE 5

PREMIUM SHARING

The City in its offer asks the Union to participate in rate increases for health insurance. The City's offer states:

Amend Article XIII - Insurance, Page 22, add new Sub-Section to Section One (1).

Effective October 1, 1994, any future increases in premiums over the rates in effect in 1993 shall be shared equally between the City and the employee/retirees.

The Union's offer is to retain the status quo and current contract language.

The City in support of its position points to the increases over the years in health care costs. It notes that currently its proposal would not cost the Union anything. The City is unable to provide supportive comparability data.

The Union argues that the Employer's offer would be a hard-

ship on retirees and is unsupported by the comparables. It is further asserted that health care costs have been decreasing, especially with the requirement for Managed Care for new employees.

DISCUSSION OF INSURANCE PREMIUM SHARING

The comparables fail to support a cost-sharing for premiums. Further, the Employer's offer is an open-ended requirement for the Union, a concept that was rejected when the Union sought percentage-based longevity and shift differentials. This is a reason for rejecting the Employer's offer under Section 9 (h). Finally, insofar as a new insurance plan involving M-Care has been awarded, there is the possibility that premium costs may be lower for the City. As a result, there is no particular reason at this time to award the Employer's offer.

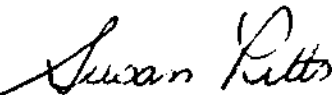
AWARD ON SHARING OF INSURANCE PREMIUMS

The Union's last best offer to retain the status quo on insurance premiums is supported.



MARK J. GLAZER, Chairman

DATE: 10/2/95



SUSAN PITTS, Union Delegate

DATE: 10-6-95

CONCUR X DISSENT



RICHARD A. HUEBLER, Employer Delegate

DATE: 10-6-95

CONCUR DISSENT X

CITY ISSUE 6

HEALTH INSURANCE ELIGIBILITY

The Union proposed the following on health insurance eligibility:

The Union's last best offer is to add a new subsection to Article XIII, Section 1, providing as follows, to be effective thirty (30) days after issuance of the Act 312 award:


Eligibility. Effective [fill in 31st day from issuance of Act 312 award], eligible members shall be defined as spouse, and child or step-child up to the age of 19 (full-time college students up to the age of 25). The City will make exceptions in the cases of dependent mentally or physically challenged children or step-children beyond the age of 19. Employee must provide, upon request, evidence of dependency during enrollment period. In addition, employee must notify the City in writing within 90 days when a covered family member is no longer eligible.

Employee will reimburse the City for any actual premium costs incurred by the City to cover a family member that was not removed due to the employee's failure to notify the City within said 90-day period.

The City in its brief accepted the Union's last best offer, and asked that it be awarded by the panel.

AWARD ON HEALTH INSURANCE ELIGIBILITY

The Union's last best offer on health insurance eligibility is awarded.



MARK J. GLAZER, Chairman

DATE: _____

10/2/95

Susan Pitts
SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR X DISSENT

Richard A. Huebler
RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR X DISSENT

CITY ISSUE 7

PRESCRIPTION CO-PAYS

The City in its last best offer asks that the drug deductible be increased from \$1.00 to \$4.00. Its offer states:

Amend Article XIII, Section 1 - Insurance, Page 22, by adding a new Sub-Section as follows:

Effective 10/1/95. The drug deductible shall be increased from One Dollar (\$1.00) to Four Dollars (\$4.00).

The Union offers to maintain the status quo.

It is noted by the City that the average co-pay among the comparables is \$4.50. The City's offer is said to be better than five of the six comparables.

The Union argues that the Employer's offer would apply only to pre-1991 employees, who are eligible for traditional Blue Cross plans at the \$1.00 co-pay. Internal comparability is said to support the Union, and it is emphasized that since most of the employees in the bargaining unit will not be covered by the \$1.00 co-pay, there is no need to change the contract.


DISCUSSION OF PRESCRIPTION CO-PAYS

The Employer in its brief refers to a \$3.00 co-pay; the last best offer, however, refers to a \$4.00 co-pay. Therefore, there is a mistake somewhere that it is presumed the City will correct.

The comparables support the Employer's position. Further, in proposing M-Care, the Union contends that employees will shift to that plan, making the \$1.00 co-pay essentially irrelevant. Accordingly, the Employer's last best offer should be awarded.

AWARD ON PRESCRIPTION CO-PAYS

The Employer's last best offer (subject to a correction in the discrepancy between the \$3.00 noted in the brief and \$4.00 in the last best offer) shall be awarded.




MARK J. GLAZER, Chairman
DATE: 10/2/95



SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR _____ DISSENT X



RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR X DISSENT _____

CITY ISSUE 8

INSURANCE FOR SURVIVING SPOUSE

The Employer's last best offer is:

Amend Article XIII - Insurance, add new Section 6 as follows:

Section 6 - Insurance for Surviving Spouse

For employees retiring after October 1, 1995, who selected the straight life pension option, the surviving spouse will not be covered by health, dental, optical and life insurance upon the retiree's death.

DISCUSSION OF INSURANCE FOR SURVIVING SPOUSE

Insofar as this issue was covered by the applicable award on letters and memos, the discussion in that section is incorporated.

AWARD ON INSURANCE FOR SURVIVING SPOUSE

The City's last best offer on insurance for surviving spouse is awarded.



MARK J. GLAZER, Chairman

DATE: 10/2/95



SUSAN PITTS, Union Delegate

DATE: 10-6-95

CONCUR DISSENT X



RICHARD A. HUEBLER, Employer Delegate

DATE: 10-6-95

CONCUR X DISSENT

CITY ISSUE 9

City issue 9 is withdrawn.

CITY ISSUE 10

WORKING CONDITIONS

The City in this issue proposes to require a minimum of five officers to be scheduled. The offer states:

Amend Article XI - Working Conditions

Amend Section 1 - Steady Shifts, Page 12 as follows:

Definition: Member(s) - personnel covered by the A.P.P.O.A. bargaining unit.

Replace Section E., Page 13, to read:

E. Time-off Provisions - A minimum of Five (5) members shall be scheduled to work at any given time. The remaining members on each shift may be off.

Members that are scheduled to work but are not available due to sick time, workers compensation leave, union time, disability, bereavement time, court or jury time will be considered as part of the Five (5) members required to work.

Department scheduled schooling/training shall count as a member off, providing:

1. The schooling/training is scheduled prior to the provisions of the Leave Day selection process; or
2. The schooling is scheduled after the completion of the Leave Day selection process; and
3. The schooling/training is not longer than Two (2) consecutive days; and
4. Only One (1) member from each shift may be counted as "off" for purposes of schooling/training at a time.

(Deviations from the above enumerated items will not prohibit the members from selecting time off.)

One (1) member may be allowed off on furlough at any given time, except that the O.I.C. may allow additional members off on furlough when conditions allow.

Replace Section K., Page 14, to read:

K. Patrol Staffing - The number of members on each shift shall be equalized to the extent numerically possible, to a maximum of Nine (9).

Should the shift members compliment fall below Nine (9), for any reason, the time off provisions will apply as if Nine (9) members were assigned. The O.I.C., or their designate, shall select the "vacant members" time off.

The Union offers to maintain the status quo.

The City maintains that it has a staffing problem, with too much time off scheduled for the weekends. It is contended that the change to a requirement for five officers to be scheduled would solve the staffing problem, as would scheduling changes pertaining to schooling and training. The Employer notes that under its proposal officers will still have at least two weekends off a month.

The Union argues that it agreed to the current contract language on steady shifts in exchange for relinquishing three promotional opportunities through attrition. It is contended that staffing problems are caused by the failure of the City to hire officers to replace promoted or retired ones.

DISCUSSION OF WORKING CONDITIONS

The Union agreed to exchange a promotional opportunity for the steady shift system currently found in the contract. This means that there must be a strong reason to alter the bargain that was achieved between the Union and the City.

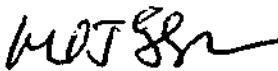
The City argues that it is experiencing significant overtime

costs in order to meet weekend staffing; the Union argues that this is due to the City's failure to fill positions.


Under Section 9 (h) it would be expected that this issue would be held in abeyance in order to see what occurs now that staffing has been increased. It would be inappropriate to award the City's position, only to find out that increased staffing solved the problem under the existing contract. As a result, the status quo should be maintained and the issue revisited in later contract negotiations if necessary.

AWARD ON WORKING CONDITIONS

The Union's last best offer on working conditions is awarded.

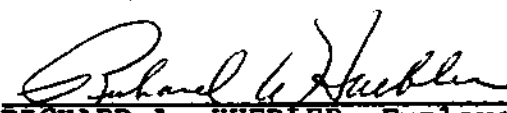


MARK J. GLAZER, Chairman
DATE: 10/2/95



SUSAN PITTS, Union Delegate
DATE: 10-6-95

CONCUR X DISSENT



RICHARD A. HUEBLER, Employer Delegate
DATE: 10-6-95

CONCUR DISSENT X

UNION'S DISSENTING OPINION

Union Issue 4 - Pension Final Average Compensation

The Chairman rejected the Union's proposed increase based on reasons which are not supported by the record evidence. First, it is stated that the Union's awarded proposal to eliminate the second tier "was not supported by comparability"; that simply is not true, since five of the six comparables have no two-tiered pension and thus supported the Union's proposal. Secondly, it is stated that the current long-standing benefit of receiving pay for up to 170 days of unused sick leave was the "quid pro quo" for the current definition of final average compensation; that simply is not true, and there was no evidence to this effect. Thirdly, the Chairman cites the cost of the awarded proposal to eliminate the second tier, and of this Union proposal. The undisputed record evidence showed that even with the cost of both improvements, the City's employer contribution rate would still be less than that paid by the comparable employers, and less than what the City was paying in the mid-80's; meanwhile, the Union members' contribution rate at 6% is the highest of all the comparables. Fourth, this proposal was well-supported by the Section 9(d) comparability evidence, which is not even discussed by the Chairman in his opinion, even though it is recognized to be the most important factor in an Act 312 proceeding. In short, the Chairman's award leaves this Union's pension benefit lagging behind the comparables, even though these employees have virtually the highest pension contribution of the comparables, and the City has enjoyed

an ever-decreasing pension contribution rate. Finally, the Union objects to the Chairman's dismissing this proposal as "more pressing for the other units" --- if this were not an important issue to this unit, the Union would not have spent all the considerable time and money presenting evidence on this issue.

Union Issue 7 - Dental Insurance

The Union submits a dissenting opinion on this issue to point out that the Chairman's opinion misapprehends both the Union's proposal and the Section 9(d) comparability evidence. The Union's proposal was to eliminate the current 30% co-pay only for preventive and diagnostic services and emergency palliative treatment; the rest of Class I dental benefits would still be subject to the 30% employee co-pay. The evidence showed that three of the six comparables (Eastpointe, Southgate, and Wyandotte) have no co-pay on any Class I benefits (Eastpointe pays 50% on radiographs only). Thus, the Union's proposal would still leave this unit behind three of the six comparables since the Union's proposal would eliminate the co-pay only for part of the Class I benefits, and not all Class I benefits. The City's proposal, awarded by the Chairman, continues to leave this unit lagging behind all six of the comparables with respect to the Class I co-pay. Thus, the comparability evidence strongly supported the Union's proposal on the co-pay, and the fact that the City conceded to the increase in the cap -- which was likewise well-supported by the comparables -- should not have been used to justify rejection of the Union's proposal on the Class I co-pay.

Union Issue II - Longevity Pay

The Union understands and appreciates the Chairman's observations regarding the absence of a cap in its proposal. However, the Union very much disagrees with the Chairman's statement that "the overall compensation received by the bargaining unit in this proceeding would not support the additional monies requested to support this issue." On the contrary, the evidence showed that longevity pay in Allen Park lags behind every one of the comparables at 5 years, 10 years, 15 years, 20 years, and 25 years of service. Furthermore, the evidence showed that Allen Park's total cash compensation was less than the average of the comparables, and certainly not so far ahead of the comparables to justify continuation of the substandard longevity pay benefit in Allen Park -- a benefit which has not been increased since 1979, and which has been substantially eroded by inflation since that time.

Union Issue 13 & City Issue 8 - Insurance for Surviving Dependents

The Union fails to understand why the awarding of its proposal to eliminate the pension second tier -- a proposal strongly supported by the comparability evidence and much additional evidence which is not referenced in the Chairman's decision -- should justify awarding the City elimination of this significant and long-standing benefit, particularly in view of the fact that the City's proposal is not supported by the comparability evidence or any other evidence. The Chairman is in gross error in crediting the City's claim that an employee who chooses a straight life pension has not

"provided for" his spouse or dependents. The fact is that employees may have "provided for" their spouse/dependents in other ways such as through insurance plans, investments, savings, etc. at the employee's own expense so that he/she could elect a full, unreduced straight life pension, with the confidence of knowing that the long-standing contract benefit of health insurance for the spouses and dependents of all retirees would be honored. Now in this award, on the grounds that the Union obtained a pension improvement which it rightly deserved (elimination of the second tier), the Chairman's award eradicates this important benefit of over 20 years' duration, without any evidence under the Section 9 factors to support such a drastic take-away. The Union finds this to be a tremendous injustice.

Respectfully submitted:

A handwritten signature in cursive script, appearing to read "Sue Pitts", is written over a horizontal line.

Sue Pitts
Union Delegate and
President of APPOA