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STATE OF MICHIGAN  
BUR. OF EMPLOYMENT RELATIONS  
DETROIT OFFICE

In The Matter of Arbitration  
Under Act 312 Public Acts of 1968

as Amended

Between

Police Officers Association of Michigan

and

JUL 6 1984

City of Roseville

MERC Case No. D83 C-666

Background

The Agreement between the Police Officers Association of Michigan and the City of Roseville expired on July 1, 1983. Negotiations ensued and then mediation before Mediator Robert Whitaker. On July 27, 1983 the Police Officers Association of Michigan filed a petition for Arbitration under Public Act 312.

On July 29, 1983 the Michigan Employment Relations Commission appointed Bernard Klein as Chairman of the panel of arbitrators and a pre-Hearing Conference was held on August 17, 1983 at the MERC offices where all subsequent hearings were also held. The panel consisted of Mr. Carl Parsell chosen by the Union, Mr. Ronald M. Dowell chosen by the City of Roseville with Bernard Klein as the Chairman. At the conclusion of the Hearings Mr. Parsell was replaced on the panel by Ms. Ann Maurer.

Since the position of the parties depended to some extent on the duration of the proposed Agreement, the panel ruled at the pre-Hearing Conference that the Agreement would be of two year duration from July 1, 1983 to June 30, 1985.

*Klein, Bernard*

*Roseville, City of*

The parties were encouraged to continue negotiations before the first Hearing date in an attempt to narrow down the many issues that needed to be resolved. This was done and several issues were removed by the time of the first Hearing date of October 19, 1983. In the meantime the parties had also exchanged exhibits and agreed (and disagreed) on the choice of comparable cities. The parties did agree on at least ten cities that were on both lists of comparables while the Union's list contained six additional ones. In general the cities were part of Michigan Municipal Leagues Region 1 of cities with a population between 50,000 and 100,000 since the population of Roseville is 54,000. For purposes of comparison the panel tended to rely on the ten cities that were on both lists.

Some minor issues were withdrawn by each party during the course of the Hearings and by the conclusion of the Hearings the issues to be arbitrated by the panel were the following:

Economic:

1. wages
2. pension and retirement issues (5 issues)
3. clothing and cleaning allowance
4. overtime (call in - court time)
5. longevity
6. occupational injuries
7. cost of living allowance

Non-economic

1. shift selection
2. residency
3. deletion of P.S.O. reference

The presentations for each side were made by Mr. William Birdseye for the Union and Mr. Russell J. Labarge, Jr. for the City of Roseville. The list of witnesses for each side and the discussions of the issues during the Hearings are all contained in the transcript of the Hearings prepared by Ms. Susan Beale, the Court Reporter for this case.

#### Issues

#### Wages

This issue of wages was the most troublesome of all the issues before the panel. The part that was most troublesome was the fact that in the recently expired Agreement both sides had agreed to set up a category of Public Safety Officers for those police officers who availed themselves of the additional training. It was never negotiated that the Fire Department and these P.S.O.s were to receive an additional \$1,500 for the first year and \$1,800 the second year in compensation. All but two members of the bargaining unit availed themselves of this opportunity and were paid the extra \$3,300 during the two years of that contract. During that time the voters voted to rescind that portion of the Agreement and the Roseville City Council repealed by legislative direction the provision of the Agreement which set up Public Safety Officers. It is to the credit of the City that it still honored the terms of the Agreement and paid the extra money to those officers in the bargaining unit who signed up even though they did not perform the duties of P.S.O.s.

The extra \$1,800 became part of the patrolmen's base wages and it is not surprising that the City sought to have the panel remove all references to P.S.O.s and make the salary base that which existed without the additional

\$1,800. The Union has no objection to the deletion of any reference in the Agreement to P.S.O.s but wants the \$1,800 to be part of the base upon which any pay raises are computed. Their position is that it is not the fault of the bargaining unit that the P.S.O. program was never implemented and meanwhile the additional money became part of the officers' standard of living.

The city's last offer was for no increase for the first year to coincide with the overall holding the line of city wages in Roseville for the year of July 1, 1983 to June 30, 1984 while also eliminating the P.S.O. classification and removal of the \$1,800 add-on. For the second year the City offered a 6% increase on the pre-P.S.O. base.

The Union's last offer was for no increase from July 1, 1983 to December 31, 1983 but continue the \$1,800 add-on. For the half year January 1, 1984 to July 1, 1984 they request an increase of 3.56% on the base of the P.S.O. rate. For the second year (July 1, 1984 to June 30, 1985) the Union requests a 5% across the board increase over the previous increase.

The panel was faced with a dilemma in that the \$1,800 P.S.O. figure was a fairly sizable amount for no additional duties but was also a sizable amount to remove from the officers after they had been receiving it up to almost a year ago. The size of the add-on limited the flexibility of the panel as well as of the parties in being able to work out an imaginative solution.

The majority of the panel still felt that it would be unfair to make the officers bear the brunt of the events of the previous two years and the the City's offer even after the second year of this Award would still leave the officers below the wage level they enjoyed under the expired Agreement. The majority of the panel therefore voted to freeze the first year's salary at the level of the old Agreement for Patrol Officers. At the same time all

mention of P.S.O. in the new Agreement shall be deleted.

The amounts for the first year (1983-84) are as follows:

<u>Officer</u>	<u>start</u>	<u>6 mos.</u>	<u>12 mos.</u>	<u>24 mos.</u>	<u>36 mos.</u>	<u>48 mos.</u>
	14,712	15,391	22,882	23,314	23,744	24,176

For the second year (1984-85) the panel chose the Union's offer which would yield the following amounts:

<u>Officer</u>	<u>start</u>	<u>6 mos.</u>	<u>12 mos.</u>	<u>24 mos.</u>	<u>36 mos.</u>	<u>48 mos.</u>
	15,997	17,714	25,859	26,330	26,797	28,245

The second year rates are to begin as of July 1, 1984. The panel is aware that the new rate is a substantial improvement and puts Roseville officers higher in the averages than before, but it is still not out of range and is justified because of the prior practice. It is also the first raise in over a year.

#### Longevity

The City attempted to cut its costs on longevity payments by putting a maximum of 6% on gross earnings for those reaching the beginning of the 16th year. That would be the maximum for all those who have not yet reached it and the 8% for those in the 21st year and the 10% for those in the 26th year would be abolished after July 1, 1984 except for those who were entitled to the higher percentage prior to July 1, 1984.

The Union seeks to maintain the status quo.

The City showed that longevity costs are higher than most comparable cities and is part of a longer range plan of the City to control costs. They are high because they are based on gross wages while other comparables base theirs on base salary. However since the City's proposal does not lower the longevity

payments of those already or about to receive the 8% or the 10% the panel adopted the City's position and therefore with the exception of those eligible by July 1, 1984 for a higher percentage, longevity payments are as follows:

At beginning of 6th year - 2% of gross wage

11th year - 4%

16th year - 6%

The Union stated that it would have been better for the City to keep the old percentages but base it upon base salary, but that was not proposed and the panel is limited in its options.

#### Cost of Living Allowance

The City sought the elimination of COLA from this Agreement while the Union sought no increase for the first year and an increase in the formula for the second year.

While the Union's position is under ordinary circumstances not an unreasonable one, the majority of the panel felt that for the two year period of the Award the granting of the P.S.O. add-on in the second year and the increase on top of that for the second year more than covers increases in the cost of living during the period covered by the Award. The parties should negotiate the future of COLA in their next negotiations. This provision takes effect immediately.

#### Overtime

There is really not much difference in the positions of the parties on this question but neither of them is recommending the status quo. The question deals with the rate at which officers are paid for court appearances in District Court. The City would change the minimum to three hours at

straight time from the current four hours or for time and a half for hours actually worked whichever is greater. For other courts the four hour minimum would remain. The City produced evidence to show its high overtime costs and its proposal would put it closer to the industry standard. The Union proposed three hours at time and a half. The panel adopted the City's position to take effect July 1, 1984.

#### Occupational Injuries

When an employee suffers an occupational injury or illness and is eligible for worker's compensation benefits, the City of Roseville has supplemented for one year those benefits to equal the employee's salary. The City now proposes to supplement only 80% of the gross salary which is closer to the employees net salary with a guarantee that the combination would never be less than the employees normal net salary. The Union prefers the status quo.

The majority of the panel agreed with the City mostly because of their provision that it would never be less than the officers net salary when he was working. While the panel was not convinced that this encouraged malingering, neither did the panel feel that an employee was entitled to a greater take home pay when injured than when he worked. This change takes effect July 1, 1984.

#### Clothing and Cleaning Allowance

Neither party sought a change in the clothing allowance allotted to each employee. \$250 initially and \$325 each year thereafter.

The parties did differ on the cleaning allowance. The Union prefers the status quo of a \$275 annual allowance while the City seeks to return it to the pre-P.S.O. amount of \$200 annually. The City was able to produce evidence

that the additional amount (\$75) was only for those who signed up as P.S.O.s. Since there were no P.S.O. duties performed it is only fair to return to the amount previously paid. If this amount is inadequate, it should be the subject of future negotiations up front rather than the status it is now. This provision takes effect retroactively to July 1, 1983.

### Retirement and Pensions

#### Eligibility

There were several issues regarding retirement and pensions that were made by both parties at the start of the Arbitration proceedings. Several were withdrawn by each party at the time the final best offers were submitted. The main issue that was dropped by the Union was that of eligibility for retirement. The City wanted to increase the minimum age for retirement to 55 from the present age of 50. The Union originally sought to remove any age requirement altogether and merely have it as 25 years and out. The City sought to make retirement between ages 50 and 55 receive a less than full pension. No real good reasons or comparables for such a change were presented. The status quo remains, namely age 50 with 20 or more years of service or age 55 with 10 or more years of service.

The retirement issues that remained are those of the Final Average Compensation, Pension Multiplier Factor, Hospitalization, for Retirees and Hospitalization for Future Dependents. The issue of Duty Disability and Retirement was left unchanged by the last offers of both parties.

#### Final Average Compensation

Currently the FAC is the average of the highest 5 years out of the last 10. The City prefers that it remain such while the Union requests that it be the average of the highest 3 years out of the last 10 years of service.



The arguments on both sides of this issue are fairly self evident in that the Union wishes to improve the pensions while the City would prefer to hold the line or even lessen its pension obligations. The majority of the panel felt that this was a reasonable request by the Union and not out of line with the trends in comparable cities. The second issue of what is to be included in the final Average Compensation involved the question of whether lump sum vacation payments made at the time of retirement should be included in the FAC. the panel agrees to removing lump sum vacation payments since it is not fair to have those paid out for years to come at the pay scale at the time of retirement rather than at the rate in which they were earned. Other factors including non cash payments are to be continued and the value of those payments are to continue to be fixed by the Retirement Board. This provision takes effect July 1, 1984.

#### Multiplier Factor

The Union sought to change the multiplier factor from 2.3 to 2.5% for the first 25 years of service plus 1.0% for each year beyond 25. The City prefers the status quo. The panel did not consider the Union's request unreasonable either in terms of costs or comparables except that again it was the majority's view that it did not wish to add unduly to the costs to the City in the two year period when the Award adds the P.S.O. differential as well as adding a small increase beyond that for the second year. The fact that retiree COLA is continued (15% after 5 yrs. of retirement and another 15% after 10 yrs.) does give some inflationary relief to retirees which is another reason lessening the urgency of change.

#### Hospitalization for Retirees

It has been the custom for many years for the Roseville City Council to appropriate money voluntarily to cover the hospitalization insurance costs

for retirees and spouse at time of retirement. The City prefers that it remain on that basis while the Union prefers that this benefit be a contractual obligation and also include future dependents if such should be acquired after retirement. The majority of the panel agrees with the Union position for several reasons. One is that most of this benefit is not additional cost since it is already provided though not contractually. The purpose of collective bargaining agreements is to formalize benefits and not have them exist at the benevolence of the City Council. The extending of this benefit to future dependents is a cost item but a justified one in the view of the majority of the panel. A compromise might have been possible on this issue as to definition of dependents but the panel must choose between the offers of the parties and chooses to go with the Union's offer. This section takes effect on July 1, 1984.

#### Non Economic Issues

##### Permanent Shifts

The Union sought to place into the contract the system of shifts bid by seniority with no ability of the Chief of Police to make any changes. Testimony by both parties was presented. The Union gave testimony as to changes in shifts after bidding which the involved officers felt were unfair while the City through the Chief gave its version as to the reason for those changes. The majority of the panel did not feel that the Chief abused his discretion so as to necessitate a change in this section. In addition the panel believed that any such abuse of this discretion could be grievable so that the officers and the Union are not without remedy. This degree of administrative flexibility is necessary for a Chief to operate the Police Department.

ment unless flagrant abuses can be shown by the present system. It is the view of the panel that abuses would be grievable.

### Residency

The residency issue though not economic has been a vexing issue to cities and unions alike. Unions and their members usually prefer no residency requirements while cities prefer strict residency within its city limits. Roseville has currently a residency requirement that its employees after six months must reside in Macomb County or that part of St. Clair below the line of M21.

The Union prefers the status quo while the City would prefer to have the requirement tightened to require all new hires to live within a ten mile radius of the Police Department. The reason the City gave dealt with potential emergencies and the greater probability of its officers living closer to main roads if they reside within the ten mile radius. The panel felt that this was not unreasonable since the change would not affect current employees but only new hires. Even among current employees most fit the new requirement though they are not affected by the change.

This provision takes effect July 1, 1984.

### Deletion of P.S.O. References

Both parties agreed to the deletion of references to P.S.O. in the Agreement. The Union agreed but did request that the differential of \$1,800 be added to the Patrolman base wage. The majority of the panel agreed to this for the second year of the Agreement. Therefore all references to P.S.O.s or Public Safety Officers are to be deleted in the new Agreement and it is hoped that with this issue behind them, the parties' future negotiations will not be clouded by it.

AwardWages

Appendix A in the expired Agreement should read as follows:

## Appendix A Wages

	<u>START</u>	<u>6 MOS.</u>	<u>12 MOS.</u>	<u>24 MOS.</u>	<u>36 MOS.</u>	<u>48 MOS.</u>
Patrol Officers 7/1/83-6/30/84	14,712	15,391	22,882	23,314	23,744	24,176
	<u>START</u>	<u>6 MOS.</u>	<u>12 MOS.</u>	<u>24 MOS.</u>	<u>36 MOS.</u>	<u>48 MOS.</u>
Patrol Officers 7/1/84-6/30/85	15,997	17,714	25,859	26,330	26,797	28,245

Respectfully submitted,

Dated: June 30, 1984

Bernard Klein  
Bernard Klein, Chairman

Ronald M. Dowell - *Concurs in part*  
Ronald M. Dowell, Panel Member *Dissent in part*

Ann Maurer *Concurs in part*  
Ann Maurer, Panel Member *Dissent in part*

Longevity

Effective July 1, 1984

## Article 17, section 2

Each employee shall receive longevity pay in accordance with the following schedule. Longevity is to be paid on gross earnings and it is to be computed and paid each pay period. Longevity would be paid according to the following schedule which would take effect 7/1/84 and would not affect any patrolman who would have been entitled to eight percent (8%) or ten percent (10%) longevity on or after 7/1/84.

At the beginning of the 6th year - 2% of gross wages

11th year - 4%

16th year - 6%

Any patrolman who presently is entitled to eight percent (8%) or ten percent (10%) longevity would be frozen at those percentages.

Respectfully submitted,

Dated: June 30, 1984

Bernard Klein  
Bernard Klein, Chairman

Ronald M. Dowell - Concur  
Ronald M. Dowell, Panel Member

Ann Maurer - dissenting  
Ann Maurer, Panel Member

Cost of Living Allowance

Article XXXVI of the current Agreement entitled "Cost of Living Adjustment" is repealed.

Respectfully submitted,

Dated: June 30, 1984

Bernard Klein  
Bernard Klein, Chairman

Ronald M. Dowell - Consents  
Ronald M. Dowell, Panel Member

Ann Maurer - dissenting  
Ann Maurer, Panel Member

Overtime

Effective July 1, 1984

Article XII of the current Agreement entitled "Overtime: shall have section 12.2 (Call In/Court Time) changed to read as follows:

## Article 12, Section 2 (Call In/Court Time)

An employee called in for duty for other than his regular eight (8) hour shift shall receive a minimum of four (4) hours pay except for district court appearances at regular rates, or he shall receive one and one-half (1 1/2) times his regular rate for each hour or fraction thereof actually worked, whichever is greater.

A. This section shall include all court appearances, except district court, may they be criminal or civil. Any monies received by the employee for appearances in court, other than those paid by the City, should be returned to the City.

B. An employee called in for duty for other than his regular eight (8) hour shift shall receive a minimum of three (3) hours pay for all district court appearances at regular rates or he shall receive one and one-half (1 1/2) times his regular rate for each hour or fraction thereof actually worked, whichever is greater. Any monies received by the employee for appearances in district court, other than those paid by the City, should be returned to the City.

Respectfully submitted,

Dated: June 30, 1984

Bernard Klein  
Bernard Klein, Chairman

Ronald M. Dowell - Concur  
Ronald M. Dowell, Panel Member

Ann Maurer - dissenting  
Ann Maurer, Panel Member

Occupational Injuries

Effective July 1, 1984

Article XXII of the current Agreement entitled "Occupational Injuries" should be amended to read as follows:

## Article XXII Sections 1-2

Section 22.1 All employees injured or <sup>incapacitated</sup> ~~incapacitated~~ in the discharge of their duty shall receive such pay for injuries as provided under Worker's Compensation laws of the State of Michigan. In addition to the minimum amount required by law, the City shall pay an additional sum not to exceed the difference between eighty percent (80%) of his regular salary and the said compensation payment, provided this payment is not less than his normal net pay (Gross normal pay minus taxes and retirement). Such additional payment shall be made for a period up to one (1) year.

Section 22.2 All employees returning to work after injuries shall be capable of performing their full duties as a Police Officer.

Respectfully submitted,

Dated: June 30, 1984

Bernard Klein  
Bernard Klein, Chairman

Ronald M. Dowell - Concur  
Ronald M. Dowell, Panel Member

Ann Maurer - dissenting  
Ann Maurer, Panel Member



Clothing and Cleaning Allowance

Effective July 1, 1988

Article XXIV of the current Agreement entitled "Clothing and Cleaning Allowance" should read as follows:

Section 24.1 Clothing Allowance

No change from present language.

Section 24.2 Laundry and Cleaning

All employees shall receive an annual allowance of Two hundred (\$200.00) dollars for the laundry and cleaning of their clothing.

Respectfully submitted,

Dated: June 30, 1984

Bernard Klein  
Bernard Klein, Chairman

Ronald M. Dowell - Concur  
Ronald M. Dowell, Panel Member

Ann Maurer - dissenting  
Ann Maurer, Panel Member

Retirement and PensionsEligibility

There is no change in the eligibility definitions for the voluntary retirement age. Appendix C, Section 15.2A remains as written in the current Agreement. (28)

Respectfully submitted,

Dated: June 30, 1984

Bernard Klein  
Bernard Klein, Chairman

Ronald M. Dowell - Dissent  
Ronald M. Dowell, Panel Member

Ann Maurer - concurring  
Ann Maurer, Panel Member

Final Average Compensation

Effective June 30, 1985

Article XXXI of the current Agreement should be changed to read:

31.1 Pension adopted by reference the Charter Provision of Police and Fire Pension System (Appendix C)

Age 50 with 20 years of service or age 55 regardless of service.

FAC is average of highest 3 years out of the last 10 years of service.

Respectfully submitted,

Dated: June 30, 1984

Bernard Klein  
Bernard Klein, Chairman

Ronald M. Dowell - Dissent  
Ronald M. Dowell, Panel Member

Ann Maurer - concurring  
Ann Maurer, Panel Member

Final Average Compensation (cont'd)

Effective July 1, 1984

Article XXXI, 31.2 should read

"Final Compensation" means a member's annual rate of compensation at the time he last terminates his employment with the City; for police patrolmen, final compensation will not include lump sum payments for vacation accumulation.

Respectfully submitted,

Dated: June 30, 1984

Bernard Klein  
Bernard Klein, Chairman

Ronald M. Dowell - Concur  
Ronald M. Dowell, Panel Member

Ann Maurer - dissenting  
Ann Maurer, Panel Member

Multiplier Factor

Article XXXI of the current Agreement should further continue to read:

2.3% first 25 years of service

1.0% 25+ years of service

Post Retirement COLA: 15% increases 5 years after retirement,  
15 years (compounded) 10 years after retirement.

Respectfully submitted,

Dated: June 30, 1984

Bernard Klein  
Bernard Klein, Chairman

Ronald M. Dowell - Concur  
Ronald M. Dowell, Panel Member

Ann Maurer - concurring  
Ann Maurer, Panel Member

Hospitalization for Retirees

A new section should be added to the Insurance section of the Agreement (Article XXV).

25.1 The City shall provide group hospitalization insurance for persons retiring on or after July 1, 1984. The entire cost of such retiree insurance shall be paid by the City, and such insurance shall cover the employee and his dependents.

Respectfully submitted,

Dated: June 30, 1984

Bernard Klein  
Bernard Klein, Chairman

Ronald M. Dowell - Dissent  
Ronald M. Dowell, Panel Member

Ann Maurer - Concurring  
Ann Maurer, Panel Member

Permanent Shifts

There shall be no changes in the language of the current Agreement contained in Article XIX sections 1 through 7.

Respectfully submitted,

Dated: June 30, 1984

Bernard Klein  
Bernard Klein, Chairman

Ronald M. Dowell - Consents  
Ronald M. Dowell, Panel Member

Ann Maurer - dissenting  
Ann Maurer, Panel Member

Residency

Article XXXIII should be amended to read:

On or after July 1, 1984 members of this bargaining unit must be residents of the State of Michigan and have such residence as required by Act 78, Police and Fire Civil Service Board. Upon employment to the Roseville Police Department, within six (6) months of their employment they must reside within ten miles of the police department. Present employees may reside within Macomb County and that portion of St. Clair County, defined as: South of the center line of M-21.

Respectfully submitted:

Dated: June 30, 1984

Bernard Klein  
Bernard Klein, Chairman

Ronald M. Dowell - Concur  
Ronald M. Dowell, Panel Member

Ann Maurer - dissenting  
Ann Maurer, Panel Member



Deletion of P.S.O. References

Effective July 1, 1983 all references to P.S.O. or Public Safety Officers in the existing Agreement as highlighted in City Exhibit #15 are to be deleted.

Respectfully submitted,

Dated: June 30, 1984

Bernard Klein  
Bernard Klein, Chairman

Ronald M. Dowell - Coners  
Ronald M. Dowell, Panel Member

Ann Maurer - concurring  
Ann Maurer, Panel Member

Miscellaneous

This Award covers the period beginning July 1, 1983 and ending June 30, 1985. Most changes take effect July 1, 1984 unless otherwise noted.

The changes ordered in this Award are those in which the parties were deadlocked. All issues agreed upon by both parties prior to and during this arbitration process shall become part of the Agreement as all provisions carried forth in the Agreement of 1981-83 which were agreed to by the parties.

Respectfully submitted,

Dated: June 30, 1984

Bernard Klein  
Bernard Klein, Chairman

Ronald M. Dowell - Concur  
Ronald M. Dowell, Panel Member

Ann Maurer - Concurring  
Ann Maurer, Panel Member