

STATE OF MICHIGAN
COMPULSORY ARBITRATION

In the Matter of:

CITY OF ST. CLAIR SHORES
(POLICE DEPARTMENT)

Employer,

and

ST. CLAIR SHORES POLICE
OFFICERS ASSOCIATION

Union.

Case No. D85 E-1647

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

FINDINGS, OPINION, AWARD, AND ORDER
OF THE COMPULSORY ARBITRATION PANEL: August 27, 1987

APPEARANCES:

FOR THE COMPULSORY ARBITRATION PANEL:

Robert F. Browning, Chairman

Kent A. Herbert, City Designee

Gerald E. Keller, Union Designee

Representing the Union: Nancy Jean Van Lopik, Attorney
James M. Moore, Attorney

Representing the City: Craig W. Lange, Attorney

I.

INTRODUCTION

A Pre-Hearing Conference was held on August 7, 1986, at the St. Clair Shores City Hall, St. Clair Shores, Michigan. At that meeting Craig W. Lange, Attorney, represented the City. Nancy Jean Van Lopik, Attorney, represented the Union. At the Hearing the Union was represented in the first two Hearings by Nancy Jean Van Lopik and the remaining twelve Hearings by Mr. James W. Moore, Attorney, due to the unfortunate illness of Ms. Van Lopik. Both attorneys are members of the same firm representing the Union. Both Ms. Nancy Van Lopik and

James W. Moore participated in the preparation of the post-hearing brief on behalf of the Union. Attorney Craig Lange represented the City throughout the Hearings.

Fourteen all day Hearings were held and recorded by a court reporter, in compliance with the Act, on the following dates: September 11, 1986; September 12, 1986; December 2, 1986; December 15, 1986; December 16, 1986; January 8, 1987; January 9, 1987; January 26, 1987; January 27, 1987; February 3, 1987; February 9, 1987; February 10, 1987; February 24, 1987; and February 25, 1987.

Last offers of settlement were received from the respective parties dated March 25, 1987.

Post-Hearing Briefs were received from the respective parties dated May 6, 1987.

The City submitted 137 exhibits to the Panel. The Union submitted 46 Exhibits. In addition, there were three joint exhibits submitted by the parties.

The Panel was given time to review the voluminous transcripts totalling some 1,950 pages and numerous exhibits and the respective last offers of settlement and post-hearing briefs of the parties.

The Arbitration Panel met in Executive Panel Meetings for joint consideration of the evidence and argument on the matters in dispute. The Executive session meetings were held in the office of the Chairman in Lansing, Michigan, on July 2, 1987, and again on July 14, 1987.

The final order of the Panel was subscribed to by a majority of the Arbitration Panel on August 27, 1987.

It should be understood that the Panel member representing the City of St. Clair Shores, Employer, and the Panel member representing the City of St. Clair Shores Police Officers Association disagreed with certain of the findings and awards and order. Accordingly, the signature of either of the partison Panel members upon the final order of the Panel does not represent a concurrence with each and every

issue of the final award and order, but that the final order of the panel is subscribed to by a majority of the Arbitration Panel.

WITNESSES:

For the City:

1. Gerald Luedtke, President, Gerald Luedtke & Associates, Inc.
2. Keith Francis, Audit Partner, Plante-Moran
3. Roy P. Stype, City Manager, City of St. Clair Shores
4. Kent Herbert, Acting Finance Director, City of St. Clair Shores
5. Elliot Ewart, Police Chief, St. Clair Shores
6. Clifford Maison, City Treasurer, St. Clair Shores
7. Robert W. Smith, Chief, Clinton Township Police Department
8. Fred De Busscher, City Assessor, City of St. Clair Shores

For the Union:

1. Donald Reeder, Lieutenant, St. Clair Shores Police Department
2. Arthur A. Ladas, Retired, Former Police Chief, St. Clair Shores
3. Dane Douglas Richards, Sergeant, St. Clair Shores Police Department
4. Frederick Marengo, Lieutenant, St. Clair Shores Police Department
5. Douglas R. Mills, Corporal, Clinton Township Police Department
6. Gerald Keller, Retired Patrolman, St. Clair Shores Police Department
7. Richard Ditchie, Patrolman, St. Clair Shores Police Department and current President of SCSPOA.

Also appearing for the Union, but not testifying, were officers of the St. Clair Police Officers Association, Jimmy Zirilli, Treasurer; Thomas Debrowsky, Secretary; and John Germaine, Vice President.

II.

INITIAL HEARING

The parties at the Initial Hearing, on the record stipulated that this Panel has jurisdiction and is properly constituted and has full authority over the matters before it. Further, the parties have stipulated to mutually waive all the time limits set forth in Act 312 of the Public Acts of 1969.

The Chairman advised the parties that he had signed the oath with the Michigan Employment Relations Commission, which requires one to uphold the Constitution of the United States, that of the State of Michigan, and to faithfully discharge the duties of the office of the Chairperson as required under Act 84 of the Public Acts of 1976.

ISSUES

The Panel and the parties agreed that certain of the following issues are economic and that certain of the issues are non-economic as follows: Workers Compensation Supplement Issue - Economic; the two Pension Issues - proposed escalator and military service time are both Economic; the issue of "Light Duty" is an Economic Issue; Sickness and Accident Insurance - Economic Issue; Vacation Conversion - Economic Issue; Wages - Economic; Central Dispatch - Non-Economic; Assignment to Accident Prevention Unit - Non-Economic.

The parties were in disagreement as to the three minimum manning issues as being economic or non-economic. The Panel determined that the Service Bureau; Traffic Bureau and Patrol Division Minimum Manning Issues are Economic.

The parties agreed on the record to remove the issue of non-supervisory sergeants from the table. (Volume 14, p. 15)

The Panel in considering the issues, opinion, award, and order will consider the issues in the following sequence. The numbering of the issues and the sequence was determined for the convenience of the Panel in its considerations of the issues:

<u>ISSUE NO.</u>	<u>SUBJECT MATTER</u>	<u>DETERMINATION</u>
1.	Worker's Compensation Supplement Issue	Economic
2.	Pension - Proposed Escalator	Economic
3.	Pension - Military Service Time	Economic
4.	Light Duty	Economic
5.	Sickness and Accident	Economic
6.	Vacation Conversion	Economic
7.	Wages	Economic
8.	Temporary Assignments	Non-Economic
9.	Assignment to Accident Prevention Unit	Non-Economic
10.	Central Civilian Dispatch	Non-Economic
11.	Minimum Manning - Service Bureau	Economic
12.	Minimum Manning - Traffic Bureau	Economic
13.	Minimum Manning - Patrol Division	Economic

LAST OFFER OF SETTLEMENT

Note: The City submitted last offers of settlement on both the economic and non-economic issues.

The Union submitted a last offer of settlement on the economic issues.

For convenience, these are presented subject matter wise in the sequence of issues as considered by the Panel.

1. (Economic)

CITY ISSUE

WORKER'S COMPENSATION

City's Last Offer of Settlement:

Amend Article XVII, A, to provide as follows:

A. Sick leave. Provisions of the Worker's Compensation laws in the State of Michigan shall apply in all accidents or injuries to employees in the line of duty. Each full-time work as the result of an injury or sickness arising from the performance of his duty, shall be paid by the City at eighty (80)

percent of his regular rate of pay for the duration of Worker's Compensation benefits, without loss of sick leave. If the disability pension is being paid, the direct City payment shall cease. All Worker's Compensation checks shall be signed and turned over to the City.

Union's Last Offer of Settlement:

The St. Clair Shores Officers Association rejects the City's offer and proposes the status quo.

2. (Economic)

UNION ISSUE

PENSIONS - ESCALATION OF BENEFITS

Union's Last Offer of Settlement:

All employees who retire on or after July 1, 1985, shall have the amount of their retirement benefit increased annually at the rate of two percent (2%).

This provision shall be retroactive to July 1, 1985.

City's Last Offer of Settlement:

The City opposes the amendment of the current pension plan and seeks to maintain the status quo.

3. (Economic)

UNION ISSUE

PENSIONS

Pre-Employment Military Service Credit

Union's Last Offer of Settlement:

In computing an officer's service credit, the officer shall be entitled to credit for up to four (4) years pre-employment military service time. Any officer making claim for such military service credit shall be required to make his or her normal employee contribution for the years of claimed military service credit.

This provision shall be retroactive to July 1, 1985.

City's Last Offer of Settlement:

The City opposes the amendment of the current pension plan and seeks to maintain the status quo.

4. (Economic)

CITY REORGANIZATIONAL ISSUE

LIGHT DUTY

City's Last Offer of Settlement:

Amend Article XIX - DISABLED OFFICERS by deleting current Paragraph A and B and replacing with the following:

Limited duty assignments for officers who are disabled due to injury or illness but able to perform on a restricted basis shall be at the discretion of the Chief of Police.

Union's Last Offer of Settlement:

The St. Clair Shores Police Officers Association rejects the City's offer and proposes the status quo.

5. (Economic)

CITY REORGANIZATIONAL ISSUE

SICKNESS AND ACCIDENT INSURANCE

City's Last Offer of Settlement:

Amend Article XIII, Sick Leave, of the 1982 - 85 collective bargaining agreement by deleting Paragraph A (first paragraph of Article) and Paragraph B. Replace with the following:

A. Accumulation of Sick Leave Credits

Each employee shall be credited four (4) hours of sick leave credit on the first day of each month in which he worked or was on paid leave more than half the scheduled work hours for his/her shift in the previous month. This bank shall not be increased through the conversion of accumulated compensatory time into sick time.

B. Maximum Sick Leave Bank

Maximum sick leave credits which may be accumulated in an officer's sick leave bank shall be as follows:

DATE	LIMIT
12/31/87	2000 hours
12/31/88	1800 hours
12/31/89	1700 hours
12/31/90	1600 hours
12/31/91	1500 hours
12/31/92	1400 hours

12/31/93	1300 hours
12/31/94	1200 hours
12/31/95	1100 hours
12/31/96	1000 hours
12/31/97	900 hours
12/31/98	800 hours
and thereafter	

C. Use of Sick Leave

An employee who is unable to work due to illness shall be charged for all duty hours missed due to his illness. In no case may an employee be paid for sick leave in excess of the hours he has previously earned except under Paragraph G below. Sick leave is to be used for genuine illnesses only. An employee off work longer than two (2) duty days may be required to furnish a doctor's slip to the City to document the illness.

D. Payment of Sick Leave Credits

Payment of Sick Leave credits may be made for hours in excess of the sick bank limit or at termination. All sick hours in excess of the limit at December 31 shall be paid by February 1 of the following year. Within two weeks of termination, an employee must be paid for unused sick leave credits. The formula for these payments is as follows:

- All time in excess of 1600 hours is paid at 50 percent.
- All time in excess of 1400 hours up to 1600 hours is paid at 60 percent.
- All time in excess of 1200 hours up to 1400 hours is paid at 70 percent.
- All time in excess of 1000 hours up to 1200 hours is paid at 80 percent.
- All time in excess of 800 hours up to 1000 hours is paid at 90 percent.
- All time up to 800 hours is paid at 100 percent of the employee's current rate of pay.

Payment for this time shall not be included in the calculation of AFC (average final compensation) for pension purposes.

E. Disability Program

The City shall provide a Sickness and Accident Program for all employees. An employee who becomes disabled due to a non-occupational injury or illness shall become eligible to be covered under the Long-Term Disability Insurance Program after a 14-day waiting period. Coverage shall extend for 52 weeks at 65 percent of the employee's base rate. An additional 14 hours per week may be paid to the employee receiving benefits by the employee requesting use of hours from the employee's sick leave or vacation leave banks. Sick leave and vacation leave credits shall not accrue during the time of disability. The City shall have the right to verify illness/injury by having the employee examined by a doctor of the City's choice. In cases of dispute, an appropriate physician at the University of Michigan selected by the City Doctor and the employee's doctor will decide if the employee is unable to work. While on the Disability Insurance Program, all employees insurance shall remain in effect.

Union's Last Offer of Settlement:

The St. Clair Shores Police Officers Association rejects the City's offer and proposes the status quo.

6. (Economic)

CITY ISSUE

VACATION CONVERSION

City's Last Offer of Settlement:

The City's proposal concerning the conversion of vacation time into sick leave is covered by the City's last offer of settlement on Sickness and Accident Insurance. This issue is therefore withdrawn as an Independent and free standing issue by the City.

Union's Last Offer of Settlement:

The St. Clair Shores Police Officers Association rejects the City's offer and proposes the status quo.

7. (Economic)

UNION ISSUE

WAGES

Union's Last Offer of Settlement:

- A. Effective July 1, 1985, salaries for all police officers shall be increased by four percent (4%) of the base wage being paid June 30, 1985. Seventy percent (70%) of the 1984-85 cost of living allowance as calculated in Appendix A of the parties' 1982-1985 collective bargaining agreement shall be folded into the new base rate.
- B. Effective July 1, 1986, salaries for all police officers shall be increased by three percent (3%) of the base wage being paid June 30, 1986. Seventy percent (70%) of the 1985-86 cost of living allowance as calculated in Appendix A of the parties' 1982-1985 collective bargaining agreement shall be folded into the new base rate.
- C. Effective July 1, 1987, salaries for all police officers shall be increased by three percent (3%) of the base wage being paid June 30, 1987. Seventy percent (70%) of the 1986-87 cost of living allowance as calculated in Appendix A of the parties' 1982-85 collective bargaining agreement shall be folded into the new base rate.

This provision shall be retroactive to July 1, 1985.

City's Last Offer of Settlement:

WAGES: 7-1-85 to 6-30-86

Effective July 1, 1985, the City proposes that Appendix A of the expired collective bargaining agreement be amended and that there be implemented a two and one-half (2.5%) percent across-the-board increase in wage rates which were in effect at the expiration of the collective bargaining agreement.

For illustrative purposes, Appendix A would be amended to provide as follows:

Effective July 1, 1985:

	Hired before 1-24-77	Hired after 1-24-77; before 7-1-82	Hired after 7-1-82
Start	—	—	\$17,039
6 mos.	—	—	—
1st yr.	—	—	\$19,483
2nd yr.	—	—	\$21,906
3rd yr.	—	\$27,689	\$24,329
4th yr.	—	\$28,431	\$26,752
5th yr.	\$29,175	\$29,175	\$29,175

A cost-of-living allowance, pursuant to Appendix A of the expired collective bargaining agreement, shall be continued as set forth in City Exhibit 103, except that the two and one-half (2.5%) percent increase as proposed by the City for the 7-1-85 to 6-30-86 contract year shall be deemed to include any cost-of-living fold as contemplated in Paragraph D of City Exhibit 103 or under the City's previous offer of settlement on this issue.

WAGES: 7-1-86 to 6-30-87

Effective July 1, 1986, the City proposes that Appendix A of the expired collective bargaining agreement be amended and that there be implemented a two and one-half (2.5%) percent across-the-board increase in wage rates in effect for the contract year 7/1/85 to 6/30/86.

For illustrative purposes, Appendix A would be amended to provide as follows:

Effective July 1, 1986:

	Hired before 1-24-77	Hired after 1-24-77; before 7-1-82	Hired after 7-1-82
Start	—	—	\$17,464
6 mos.	—	—	—
1st yr.	—	—	\$19,970
2nd yr.	—	—	\$22,453
3rd yr.	—	—	\$24,937
4th yr.	—	\$29,141	\$27,420
5th yr.	\$29,904	\$29,904	\$29,904

A cost-of-living allowance, pursuant to Appendix A of the expired collective bargaining agreement, shall be continued as set forth in City Exhibit 103, except that the two and one-half (2.5%) percent increase as proposed by the City for the 7-1-86 to 6-30-87 contract year shall be deemed to include any cost-of-living fold as contemplated in Paragraph D of City Exhibit 103 or under the City's previous offer of settlement on this issue.

WAGES: 7-1-87 to 6-30-88

Effective July 1, 1987, the City proposes that Appendix A of the expired collective bargaining agreement be amended and that there be implemented a four (4%) percent across-the-board increase in wage rates in effect for the contract year 7/1/86 to 6/30/87. If, however, the percent of salary increases awarded by the Panel in the first two years of the new collective bargaining agreement should exceed a total of seven (7%) percent, then the City's last offer of settlement in this final year of the proposed contract is accordingly reduced to two (2%) percent

Assuming the City's last offer of four (4%) percent is accepted by the Panel, for illustrative purposes, Appendix A would be amended to provide as follows:

Effective July 1, 1987:

Start	\$18,162
1st yr.	\$20,768
2nd yr.	\$23,351
3rd yr.	\$25,431

4th yr. \$28,516

5th yr. \$31,100

A cost-of-living allowance, pursuant to Appendix A of the expired collective bargaining agreement, shall be continued as set forth in City Exhibit 103, except that the four (4%) percent increase as proposed by the City for the 7-1-87 to 6-30-88 contract year shall be deemed to include any cost-of-living fold in as contemplated in Paragraph D of City Exhibit 103 or under the City's previous offer of settlement on this issue.

8. (Non-Economic)

CITY REORGANIZATION ISSUE

TEMPORARY ASSIGNMENTS

City's Last Offer of Settlement:

Amend Article IX of the 1982-1985 collective bargaining agreement by the addition of a new subparagraph F, which shall provide:

F. While the need for specialization within various divisions is recognized, it must be further recognized that the overall operation of the Department comes first. Therefore, it will become necessary at times for officers to work outside their areas of specialization to fill special needs as they arise.

9. (Non-Economic)

CITY REORGANIZATIONAL ISSUE

ASSIGNMENT TO ACTIVE PREVENTION UNIT

City's Last Offer of Settlement:

Amend Article IX of the 1982-1985 collective bargaining agreement by the addition of a subparagraph G, which shall provide:

G. Officers applying for transfer to the Active Prevention Unit shall be selected at the discretion of the Chief of Police and the sergeant in charge of said Unit. Officers may be removed and reassigned if it is determined by the Chief or Unit supervisor that the officer is not suited for such work.

Upon activation of the APU, assignments shall initially be staggered at one, one-and-a-half years, two years and two-and-a-half years. Thereafter, assignments will be for a two (2) year period. Patrol officers must remain out of the Unit for at least two (2) years before they will be considered for reassignment within the Unit.

Scheduled hours of the Unit will be set up according to need and will be subject to change as necessary.

10. (Non-Economic)

CITY REORGANIZATIONAL ISSUE

CENTRAL DISPATCH

City's Last Offer of Settlement:

Add the following as a new article to the collective bargaining agreement.

Article - CIVILIAN DISPATCH

A. The City shall have the right to establish a civilian central dispatch system. In implementing the civilian dispatch system, civilian dispatchers shall be required to pass a suitable training course provided through area colleges or the Michigan State Police. The schedule of implementation shall be determined by the City. No police officer shall be laid off as a direct result of the assumption of dispatcher duties by any civilian.

11. (Economic)

CITY REORGANIZATIONAL ISSUE

MINIMUM MANPOWER

Subissue: Service Bureau

City's Last Offer of Settlement:

The City proposes to end mandatory minimum manning contained in the document entitled "Minimum Manning Guidelines" dated September 5, 1979, as it applies to the Service Bureau. To this end, the City proposes that a new article be added to the collective bargaining agreement, Section B of which shall provide as follows:

ARTICLE - MINIMUM MANPOWER

B. Effective July 1, 1987, staffing levels for the Service Bureau of the St. Clair Shores Police Department shall be determined exclusively by the City.

Union's Last Offer of Settlement:

The St. Clair Shores Police Officers Association rejects the City's offer and proposes the status quo.

12. (Economic)

CITY REORGANIZATIONAL ISSUE

MINIMUM MANNING

Subissue: Traffic Division

City's Last Offer of Settlement:

The City proposes to end mandatory minimum manning contained in the document entitled "Minimum Manpower Guidelines" dated September 5, 1979, as it applies to the Traffic Division. To this end, the City proposes that a new article be added to the collective bargaining agreement, Section C of which shall provide as follows:

ARTICLE - MINIMUM MANPOWER

C. Effective July 1, 1987, staffing levels for the Traffic Division of the St. Clair Shores Police Department shall be determined exclusively by the City.

Union's Last Offer of Settlement:

The St. Clair Shores Police Officers Association rejects the City's offer and proposes the status quo.

13. (Economic)

CITY ISSUE

MINIMUM MANNING

Subissue: Patrol Division

City's Last Offer of Settlement:

The City proposes to modify the minimum manning requirements contained in the documentation entitled "Minimum Manning Guidelines" dated September 5, 1979, as it applies to the Patrol Division. To this end, the City proposes that a new article be added to the collective bargaining agreement, Section A of which shall provide as follows:

ARTICLE - MINIMUM MANPOWER

A. Effective July 1, 1987, minimum staffing levels for the Patrol Division of the St. Clair Shores Police Department shall be established at the following:

Midnight Shift:

Midnight to 4 a.m. - September through May - 6 officers
Midnight to 4 a.m. - June through August - 8 officers

4 a.m. to 8 a.m. - All year - 4 officers

Day Shift:

8 a.m. to 4 p.m. - All year - 4 officers

Afternoon Shift:

4 p.m. to 8 p.m. - All year - 6 officers

8 p.m. to Midnight - September through May - 6 officers

8 p.m. to Midnight - June through August - 8 officers

Union's Last Offer of Settlement:

The St. Clair Shores Police Officers Association rejects the City's offer and proposes the status quo.

MINIMUM MANNING

Hiring to Meet Minimums

Union's Last Offer of Settlement:

In addition to maintenance of the status quo the St. Clair Shores Police Officers Association proposes the following modification regarding the rights and obligations of the City to hire to meet contract minimums:

A. In the event that any bureau or division that is subject to minimum manning requirements is below minimums, hiring to meet the manning level shall be as follows:

1. Hire from the overtime roster of the bureau or division that is below minimums.
2. In the event the vacancy cannot be filled in the manner described above, if any other bureau or division (that is subject to minimum manning requirements) has officers working in excess of its required minimums, the Department may assign such officers, by seniority, to meet the minimums in the bureau or division which is below minimums. Under these circumstances no overtime compensation would be involved.
3. In the event the vacancy cannot be filled in the manner described above, the Department shall hire from the overtime lists of the other divisions or bureau that are subject to minimum manning requirements.

BACKGROUND:

The collective bargaining agreement between the City of St. Clair Shores and the St. Clair Shores Police Officers Association expired on June 30, 1985.

Negotiations between the parties were unsuccessful even though some were with the aid of mediation assigned by the Michigan Employment Relations Commission. Upon impasse the City of St. Clair Shores petitioned for arbitration pursuant to Act 312. The City filed its initial petition on June 11, 1986. Presently, there are 62 patrolmen in the bargaining unit.

Section 9. Act 312 Findings and orders; factors considered.

This section requires the Arbitration Panel to base its findings, opinions, and order upon the following factors as applicable:

- (a) The lawful authority of the employer.
- (b) Stipulations of the parties.
- (c) The interests and welfare of the public and the financial ability of the unit of government to meet those costs.

(d) Comparison of the wages, hours, and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours, and conditions of employment of other employees performing similar services and with other employees generally:

- (i) In public employment in comparable communities.
- (ii) In private employment in comparable communities.
- (e) The average consumer prices for goods and services, commonly known as the cost of living.

(f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays, and other excused time, insurance and pensions, medical and hospital benefits, the continuity and stability of employment, and all other benefits received.

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

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

The factors as listed in Section 9 have been duly considered throughout by this Panel in determining its findings, opinions, and orders in this case.

A considerable portion of the testimony offered by both parties through its witnesses and exhibits dealt with factor (c) ability to pay and factor (d) comparables. Another factor (g) changes in any of the foregoing circumstances during the pendency of the arbitration proceedings will also be discussed by this Panel with particular reference to the central civilian dispatch and the several manning issues. It is prudent at this point by way of initial background information to discuss ability to pay and the Panel's selection of comparables since the parties were in disagreement on the factor of ability to pay and as to what communities should be included as comparables for consideration by the Panel.

ABILITY TO PAY

The City has stressed from the onset and throughout the proceedings the factor of ability to pay and raises the question of an inability to pay to meet the economic order of the Panel if they should prove too costly for the City's budget as to the past two contract years and the present contract year 7-1-87 to 6-30-88.

Testimony was offered by the City witnesses Gerald Luedtke, City Planning Consultant; Keith Francis, Audit Partner, Plante-Moran; Ray P. Stype, City Manager; and Kent Herbert, Acting Finance Director, concerning the ability to pay of the City.

St. Clair Shores is a residential community and 81.5% of the City's total state equalized value (S.E.V.) is composed of residential valuations. The City by

vote of the residents on November 8, 1983, reduced the millage allowed for general operating purposes of the City to eight mills. Formerly, it was 11.9 mills. This millage reduction became effective for fiscal year June 30, 1985, with a decrease in property taxes annually for the general fund in the amount of approximately 2.8 million annually for the general fund. The City cannot increase millage rates without the approval of the citizens by a special election. The citizens have not indicated any willingness to support higher taxes for operating the City. They have defeated a proposed millage increase for library operation in 1986. Bond issues to finance City commercial improvements have been defeated as well as school district proposals for millage increases.

In fiscal year 1985 (City Exhibit 28) Federal Revenue Sharing was \$916,000, which was 4.2% of the revenues received for total operating purposes. The City has used this for general operating purposes. In fiscal year 1986, \$960,000 was received and used for the same purpose. One Hundred Fifty-eight Thousand Dollars is projected for fiscal year 1987. In fiscal year 1988 Federal Revenue sharing will be eliminated. With voter resistance the City cannot make up this loss of revenue.

The City maintains that it cannot afford large overtime expenditures or significant increases in expenditures relating to wages or benefits, as it has no available means of raising additional revenue through increased taxation, growth, or land sales.

Police wages and fringe benefits, excluding pensions, are met from the general fund.

According to the testimony of City Manager, Ray Stype, land sales of City land, a nonrecurring source which once sold is gone. The money from the land sales have been devoted to the general fund and to help pay for wages and fringes. Land sales in fiscal year 1985 were \$705,300; in fiscal year 1986 - \$991,000; and in fiscal year 1987 - \$254,000. Per City Exhibit 36 the figure will be less than

\$100,000 for fiscal year 1988. Mr. Stype stated that there are no assets left to sell off. (Vol 4, p. 36)

State shared revenues of approximately 3% to 4% will not replace or appreciably offset the loss of federal revenues or sales of nonrecurring land assets.

At the conclusion of fiscal year 1986, the City had a fund balance of \$738,348. Of this amount only \$158,825 was unreserved monies which could be appropriated for unbudgeted police wages or fringe benefits. The remainder was reserved for the 1986-87 budget or other funds.

Mr. Francis, CPA, with concentration in the area of municipal finance, identified a City's fund balance as a savings account. Most communities, Mr. Francis states, maintain a 5% fund balance would need in the area of \$1 million. Mr. Francis stated that to utilize the fund balance to meet recurring operations of the City, such as wages should not be used for running the day to day operations. The annual revenue base should be looked to for paying the salaries, wages, and fringe benefits. (Vol 2, p. 105-106)

Mr. Stype, City Manager, testified the City has had to reduce overall expenditures. Services have been reduced and the number of City employees reduced from 410 employees in 1980 to 299 in 1986, a 25% reduction.

Mr. Stype stated the fiscal situation for the City today is more critical and serious than in 1982-83 due to the limitation on revenues and no land sale sources to supplant the shrunk revenues.

The City's infrastructure is crumbling and is using a band-aid approach with the monies currently appropriated about 10% of what should be appropriated to meet repair and replacement costs.

Mr. Stype further testified that a proposed lakefront development if it occurs would be over a ten year period and that such monies if coming would not be available by June 30, 1988, the end of the proposed three year contract.

It is readily apparent to the Panel that the ability to pay factor must be weighed seriously for its impact upon the City in meeting any economic increases this Panel might award and order in this Arbitration.

COMPARABLES

Both the City and the Union selected as comparable cities certain cities having a population in excess of 50,000, excluding Detroit, and located in the Detroit-Ann Arbor Consolidated Metropolitan Statistical Area.

The parties are in agreement on five cities, namely, Dearborn Heights, Roseville, Royal Oak, Taylor, and Westland. The Panel agrees on these five cities as being comparable with St. Clair Shores.

The Union offers nine additional cities as proposed comparables, namely, Ann Arbor, Dearborn, Farmington Hills, Livonia, Pontiac, Southfield, Sterling Heights, Troy, and Warren.

The Panel has carefully considered the proposed additional cities offered by the Union Exhibit and find worthy of consideration as comparables in a number of characteristics the cities of Dearborn, Farmington Hills, Livonia, Southfield, and Sterling Heights (after a review of Union Exhibit 11).

The Panel has excluded the cities of Ann Arbor, Pontiac, and Troy as being too different to serve as comparables to St. Clair Shores. Pontiac and Ann Arbor are economic centers and central place cities with ability to expand, unlike contained City of St. Clair Shores. Troy is a rapidly growing community with industrial and commercial expansion unlike St. Clair Shores.

Dearborn is closest to median age and population groups to St. Clair Shores. Dearborn Heights bears a resemblance in percent of officers, tax millage, and population groups. Farmington Hills compares in number of police officers. Livonia and Sterling Heights are closest to St. Clair Shores in percent in poverty. Sterling Heights is identical to St. Clair Shores in unemployment rate. Farmington

Hills, Livonia, and Warren are all fairly close to St. Clair Shores in respect to numbers of police officers per thousand. Livonia, Southfield, Sterling Heights are similar in total tax millage. Population groups are similar for Dearborn, Livonia, Southfield, and Warren with the St. Clair Shores. The comments are made with regard to the additional cities the Union proposed that the Panel has selected in addition to the five communities the parties and Panel are in concurrence upon.

The comparables selected by the Panel in summary are:

Dearborn Heights
Roseville
Royal Oak
Taylor
Westland

Dearborn
Farmington Hills
Livonia
Southfield
Sterling Heights
Warren

ISSUE #1 (Economic) City Issue

WORKER'S COMPENSATION

The City's Last Offer of Settlement is to amend Article XVII, A, to provide as follows:

A. Sick leave. Provisions of the Worker's Compensation laws in the State of Michigan shall apply in all accidents or injuries to employees in the line of duty. Each full-time work as the result of an injury or sickness arising from the performance of his duty, shall be paid by the City at eighty (80) percent of his regular rate of pay for the duration of Worker's Compensation benefits, without loss of sick leave. If the disability pension is being paid, the direct City payment shall cease. All Worker's Compensation checks shall be signed and turned over to the City.

The St. Clair Shores Police Officers Association rejects the City's offer and proposed the status quo.

The City seeks to prospectively amend Article XVII, A, to provide that police officers injured in the line of duty shall receive a worker's compensation supplement which together with the worker's compensation benefit, will equal 80% of his regular rate of pay.

City Exhibit 106, sets forth that the worker's compensation benefit portion paid to the disabled officer is not subject to federal tax and police officers who are off work due to a work related injury receive approximately \$128.50 more bi-weekly or \$3,470 more in take home compensation while off duty and injured than the officer would have received if actually working. Reducing the supplement from 100% to 80% of the police officer's regular rate of pay still provides the officer with more take home pay than he would receive while working but reduces it to \$61.88 bi-weekly instead of \$128.50. The City's last offer has removed a one-year limitation on the benefit as earlier proposed by the City. All of the city comparable except Taylor have some restrictions on worker's compensation supplements.

The Union states that the present language governing worker's compensation appeared in the first contract between the parties in 1966. The Union points out that the City retains the right to seek to retire an officer on a duty disability pension and that under the present program the duty-disabled officer suffers a loss in overtime that is not compensated.

The Panel is of the opinion that this present added payment above what an officer would receive if working is an undue financial burden to the City as imposed by the present contract and that the City's prospective proposal is equitable. The City's proposal still would provide their income while off work on a work related injury, and although it would be a reduction over what exists, still provides more compensation than working.

AWARD: The City's Last Offer of Settlement is applied prospectively.

ISSUE #2 (Economic) Union Issue

PENSIONS - ESCALATION OF BENEFITS

The Union's Last Offer of Settlement proposes:

All employees who retire on or after July 1, 1985, shall have the amount of their retirement benefit increased annually at the rate of two percent (2%).

This provision shall be retroactive to July 1, 1985.

The City's Last Offer of Settlement opposes the amendment of the current pension plan and seeks to maintain the status quo.

The Union asserts that the cost of this pension improvement plan need not be a charge to the general fund but can be financed by a separate millage.

The Union points out that police officers are not under the Federal Social Security Plan with its built in escalator.

Three comparables have social security coverage with some form of escalator clause. The rest of the comparable cities do not have a pension escalator.

The City points out that the Union proposal would have a serious impact upon the financial well being of the City of St. Clair Shores. The cost of this item would be 9.2% of POA payroll. (City Exhibit 101)

Only one of the City's proposed comparables have a pension escalator and of the fourteen communities proposed by the Union initially as comparables, only four have a post-retirement pension adjustment. Even including those two with social security, it would increase the number only to six out of fourteen.

The Panel is of the opinion the costs would be excessive and the City in its financial condition cannot afford a pension escalator.

AWARD: The City's last offer of status quo is adopted.

ISSUE #3 (Economic) Union Issue

PENSIONS - PRE-EMPLOYMENT MILITARY SERVICE CREDIT

The Union's last offer proposes to amend the current pension plan as follows:

In computing an officer's service credit, the officer shall be entitled to credit for up to four (4) years pre-employment military service time. Any officer making claim for such military service credit shall be required to make his or her normal employee contribution for the years of claimed military service credit.

This provision shall be retroactive to July 1, 1985.

The City opposes the amendment of the current pension plan and seeks to maintain the status quo.

The Union states that the cost of this proposal, 1.7% of payroll, can be funded by the levy of a separate millage.

The Union states there are 34 officers eligible for the proposed benefit and that the City would save by replacing with new hires.

The City currently allows police officers in the City of St. Clair Shores to retire after obtaining twenty-five (25) years of service credit with the City, regardless of age. Under the Union's proposal, a police officer could retire after twenty-one (21) years of service.

The City's comparables on the issue of pensions discloses that with the exception of Taylor and St. Clair Shores, none of the others have a "25 and out" provision. The others of the City comparables require a minimum age of 50 or 55 years of age for retirement. The City maintains that to permit this proposed amendment would deprive the City of experienced and able officers.

City Manager Ray P. Stype testified the electorate would not be receptive to any increase in millage for purposes of paying for any increase in retirement benefits. (Stype, Vol. 4, p. 96-98)

The Panel is of the opinion that the comparables, the majority of same, do not provide such a benefit and that the costs of 1.7% of the police payroll would

impact unduly upon the City's ability to pay. Dearborn, Livonia, and Farmington Hills do not provide such a benefit. Sterling Heights does. Royal Oak, Dearborn Heights, and Westland, like St. Clair Shores do not allow officers to purchase military service. Roseville allows two years, but only if the officer was drafted. Taylor does allow for four years, but a time limit on the purchase date of 1989.

AWARD: The City's last offer of status quo is adopted.

ISSUE #4 (Economic) City Reorganizational Issue

LIGHT DUTY

The City's Last Offer of Settlement is as follows:

Amend Article XIX - DISABLED OFFICERS by deleting current Paragraph A and B and replacing with the following:

Limited duty assignments for officers who are disabled due to injury or illness but able to perform on a restricted basis shall be at the discretion of the Chief of Police.

The Union rejects the City's offer and proposes the status quo.

The City states it is the City's intention to eliminate the service bureau and have the dispatching duties of the Department performed by civilians. Disabled officers who are injured in non-working related accidents were often placed in the service bureau. The City has proposed a sickness and accident insurance program to cover employees who become "disabled due to a non-occupational injury or illness". The City states that neither Dearborn Heights, Roseville, or Westland provide light duty for the off the job injuries. Taylor allows at management's discretion.

The Union is concerned about the ultimate loss of all light duty jobs. A provision for light duty jobs appeared in the first collective bargaining agreement between the parties in 1966. The clause has existed for 20 years.

Gerald Keller confirmed that the light duty language has always been in the contract and said that in his approximately seventeen years as President of the Association the language has not given the Union, nor to his knowledge, the administration any problems such that they attempted to change it. Officers would be allowed to work as a Service Bureau man or in the areas of the Department such as the Records Bureau. Such jobs are of benefit to an officer injured off duty who would not have to use his sick time. Officer Ditchie, current president of the Union, said that in his years as a union officer this was the first proposal to change this benefit. Former Chief Ladas states that "Light Duty" has been going on ". . . ever since I've been there. You Just kind of looked after your own. . ." (Vol 9, p. 30-31)

In the opinion of the Panel, the "Light Duty" provisions of the contract have been present throughout the collective bargaining history of the parties and the Panel believes that equity and fair treatment is best reflected in the Union's position to retain the status quo as to the "Light Duty" provisions of the contract.

AWARD:The Union's last offer of status quo is adopted.

ISSUE #5 (Economic) City Reorganizational Issue

SICKNESS AND ACCIDENT INSURANCE

and

ISSUE #6 City Issue

VACATION CONVERSION

The City has proposed significant modification in Article XIII, SICK LEAVE, of the 1982-1985 Collective Bargaining Agreement (See the City's Last Offer earlier set forth in the Opinion)

The City states:

The City's proposal concerning the conversion of vacation time into sick leave is covered by the City's last offer of settlement on Sickness and Accident

Insurance. This issue is therefore withdrawn as an Independent and free standing issue by the City.

The Union's last offer on the issue of Sickness and Accident and on Vacation Conversion (which has been identified as City Issue #6, Economic) are both rejected by the St. Clair Shores Police Association (Union) and proposes the status quo.

The City states its basic components are as follows: (1) to reduce the amount of sick leave credits accumulated per month from eight hours per month to four hours; (2) to eliminate the conversion of vacation time into sick time, as well as the conversion of overtime to accumulated compensatory time to sick time; (3) to place a limitation upon the number of sick leave credits that may be accumulated in an officer's sick leave bank. Currently, accumulation is unlimited. Under the City's proposal, maximum sick leave credits for purposes of accumulation for use, shall begin at two thousand hours effective December 31, 1987, and reduce itself over a period of eleven years to eight hundred (800) hours maximum accumulation for use. Currently, employees retiring or terminating employment are paid sick leave credits accumulated up to two hundred (200) days, sixteen hundred (1,600) hours. Under the City's proposal, all sick leave credits accumulated above the maximum set forth in the proposal shall be paid out annually. Ultimately, sick leave credits paid at retirement will be reduced to one hundred (100) days, eight hundred (800) hours at one hundred percent (100%) with a sliding scale for hours in excess of eight hundred (800); (4) the City proposes to implement a disability program with a fourteen (14) day waiting period which shall extend for a fifty-two (52) week period at sixty-five percent (65%) of the employee's base rate. This program may be supplemented by sick leave at the amount of fourteen (14) hours per week. The City states this is a comprehensive proposal covering many areas of abuse within the St. Clair Shores Police Officers Association.

1. Reduction in the amount of sick leave credits accumulated from eight (8) hours per month to four (4).

The rational for the City's program in this regard is twofold. First, because the proposal will supplement a sickness and accident disability program, the need to accumulate as many sick leave days in case of longterm illness or injury is significantly reduced.

The City states there has been an abuse of sick time. City Exhibit 93 exhibits that the largest bulk of all sick time occurs during the summer months. City Exhibit 90 discloses that in the patrol division that forty-four percent (44%) of the sick leave in the patrol, service, and traffic divisions occurs on Saturdays and Sundays.

2. Elimination of the conversion of vacation time and accumulated compensatory time into sick leave.

The City claims the abuse of sick leave is a substantial result of the unlimited ability of police officers in this City to convert accumulated compensatory time into sick time. Additionally, under the expired contract, "longevity" vacation days can be converted into sick time. An average of 13.8 days are accumulated annually as a result of conversion.

Police officers burn off sick day leave days that they accumulate over two hundred (200) at or near retirement.

3. Placement of limitation upon the number of sick leave credits that may be accumulated.

The City states that sick leave days will act as a disincentive for improper use of sick leave and that for hours accumulated in excess to the cap, they will receive an annual payment as an award for good attendance.

4. Implementation of a disability program.

It is foreseen that the cost of the program will be offset by the reduction in the sick leave accumulation from eight (8) to four (4) hours. (Herbert, Vol. 13, p. 116)

The Union points out this City proposal would make drastic changes in the current sick leave program of the Police Department. The number of sick leave hours an employee earns each month is reduced from eight to four.

Employees could no longer convert their longevity days or their accumulated overtime to sick time. There would be a limit on the number of hours officers can have in their sick bank; on a gradual basis it would be changed from no limit to 800 hours (or 100 days). Sick leave is to be used for genuine illness only. Excess sick leave credits will be paid off at rates ranging from 50% to 90%.

Kent Herbert explained the reasons for the program. The sick leave use problem described by the Chief including the conversion of time, all of which created higher overtime costs.

The Union points out that for many years police officers have been allowed to use sick time for any purpose with no limitations or restrictions. The Union asserts the City's discovery of sick leave use problem is a very recent phenomenon. With virtually no bargaining, the City presents a drastic and possibly confiscatory proposal. Former City Police Chief Ladas testified he did not think it was abused and that Council upped the accumulation days from 120 to the present 200. Officer Ditchie stated he was unaware of abuse and that as Union President he had not received any complaints on alleged abuse.

From the record, it is established there was practically no negotiations by the City with the Union on this issue.

All hours in excess of 2000 which an officer has on December 31, 1987, would be paid off at 50% on the excess hours of previously earned compensation.

The Panel is of the opinion that the proposed reforms proposed by the City is not without merit, that the program would impose too many sweeping changes which would be better measured and refined by negotiations with the parties. The Panel is not persuaded that this should be imposed by this Panel on the Union. This would be a drastic change in the past procedure, contract language and practice between the parties. The Panel is of the opinion that this time this is too sudden and drastic a change and accepts the Union's last offer of status quo.

AWARD:The Union's last offer of status quo on Sickness and Accident and Vacation Conversion.

ISSUE #7 (Economic) Union Issue

WAGES

The Union's Last Offer of Settlement is as follows:

- A. Effective July 1, 1985, salaries for all police officers shall be increased by four percent (4%) of the base wage being paid June 30, 1985. Seventy percent (70%) of the 1984-85 cost of living allowance as calculated in Appendix A of the parties' 1982-1985 collective bargaining agreement shall be folded into the new base rate.
- B. Effective July 1, 1986, salaries for all police officers shall be increased by three percent (3%) of the base wage being paid June 30, 1986. Seventy percent (70%) of the 1985-86 cost of living allowance as calculated in Appendix A of the parties' 1982-1985 collective bargaining agreement shall be folded into the new base rate.
- C. Effective July 1, 1987, salaries for all police officers shall be increased by three percent (3%) of the base wage being paid June 30, 1987. Seventy percent (70%) of the 1986-87 cost of living allowance as calculated in Appendix A of the parties' 1982-85 collective bargaining agreement shall be folded into the new base rate.

This provision shall be retroactive to July 1, 1985.

The City's last offer on wages is an increase of 2.5% across the board inclusive of any COLA payment, for the contract year 7/1/85 to 6/30/86. A wage increase of 2.5% across the board inclusive of any COLA payment for the contract

year 7/1/86 to 6/30/87.

Effective July 1, 1987, the City proposes a 4% across the board increase in wage rates for the contract year 7/1/86 to 6/30/87. If, however, the percent of salary increases by the Panel in the first two years of the new collective bargaining agreement should exceed a total of seven percent (7%) then the City's Last Offer of Settlement in the third year is accordingly reduced to two percent (2%).

The Panel is confronted with a wage offer from the Union on wages as one issue covering the three year period.

The City has presented its last wage offer as three separate issue. This apart from the figures, the Panel is confronted with one wage offer for three years by the Union and three separate wage offers by the City with the third year framed as contingent on the award for the first two years.

Comparing the actual wage rates which would result from proposals submitted by the City and the Union, the figures reflect the following:

	<u>CITY</u>	<u>UNION</u>
1985 - 86	\$29,175	\$29,753
1986 - 87	\$29,905	\$30,857
1987 - 88	\$31,101	\$32,146

For the first year the costs of the Union demand is \$121,784; for the second year, \$226,163; for the third year, \$313,622. Total costs over the three year period are at the most, \$661,659.

The Union points out that a wage increase of 3% was included in the City's balance sheet for the year ended June 30, 1986, or \$80,473. (Vol 4, p. 116-117). A 4.6% increase is budgeted for 1986 - 87 or \$123,392. These amounts total \$203,865.

The City balance sheets as of 6/30/86 showed a reserve of \$738,348. Of this, \$156,825 was unallocated.

The Union argues the City has the revenues and resources to find the wage increases and that the pension costs estimated at 20% of wages are paid out of a separate millage.

The City's proposal for 1985 - 86 is for a salary of \$29,175 (plus COLA); Dearborn Heights for 1985 - 1986 was \$26,680 (no COLA); Roseville, \$29,175 (no COLA). The City argues the City's proposal is reasonable in the first year of the new agreement. The City in the second year would be proposing \$29,905, and in the third year at \$31,101. The figure is in the mid range between Dearborn Heights and Roseville of \$29,113. Neither of these have COLA. The City's proposal would place the police officers at \$31,101.

In the third year of the contract are some of the Union comparables. St. Clair Shores, \$31,101; Dearborn Heights, \$29,173; Livonia, \$31,179; Roseville, \$32,078; and Warren, \$31,050.

The Union has gathered the following information as to comparables from existing agreements:

	6-30-85	6-30-86	6-30-87	6-30-88
DEARBORN		29,168		
DEARBORN HEIGHTS	25,654	26,680	27,993	29,113
FARMINGTON HILLS	28,621	30,206	31,414	
LIVONIA	27,302	28,953	30,264	31,179
PONTIAC	28,310	30,160	31,668	
ROSEVILLE	28,245	29,375	30,844	32,078
ROYAL OAK	28,070	29,474		
SOUTHFIELD	30,046	30,480		
STERLING HEIGHTS	30,709	30,709	32,244	
TAYLOR	27,453 (plus COLA)			

WARREN	28,291	29,140	30,146	31,050
WESTLAND	26,869			
ST. CLAIR SHORES	28,464 (plus COLA)			
UNION OFFER		29,753	30,865	31,781 (plus COLA)
CITY OFFER		29,175	29,904	31,100

When total direct compensation is considered, the wages received by St. Clair Shores Police is higher than in a number of other departments. However, the evidence shows that in the cities claimed to be comparable by the City, those police officers have received wage increases of 4% to 5% in each year of their contract.

The factor that weighs heavily on this Panel is the question of ability to pay and the interests and welfare of the public and the financial ability of the unit of government to meet those costs.

From the material presented earlier in this Opinion there were a number of comments based on testimony at the Hearing of the City's ability to pay. For the reasons recited earlier herein this Panel, while it would like to meet the Union's wage demands, is of the opinion the City cannot meet the Union's wage demands without having to offset in one year unexpected expenditures in budgetary years 1985 - 86 or 1986 - 87 by slashing in 1987 - 88.

The City has budgeted a total four percent increase for 1985 - 86 and one-half percent for fiscal year 1986 - 87.

The City's offer in the first and second years total five percent. Four percent is offered by the City for 7-1-87 to 6-30-88.

Because of the City's financial problems and existing financial commitments and the inability to increase millage without first going to the citizens for approval, the Panel is persuaded regretfully to accept the City's last

offer on wages for the three year contract period.

AWARD: The Panel adopts the three year last wage offer of the City for the contract years 7-1-85 to 6-30-86; 7-1-86 to 6-30-87; and 7-1-87 to 6-30-88 to be paid accordingly.

ISSUE #8 (Non-Economic) City Reorganizational Issue

TEMPORARY ASSIGNMENTS

The City's Last Offer of Settlement is to amend Article IX of the 1982-1985 Collective bargaining agreement by the addition of a new subparagraph F, which shall provide:

- F. While the need for specialization within various divisions is recognized, it must be further recognized that the overall operation of this Department comes first. Therefore, it will become necessary at times for officers to work outside their areas of specialization to fill special needs as they arise.

The Union submits that the status quo should be maintained.

The City states that the language which the City proposes is more broad-based than the grievance referred to in Union Exhibit 10 which related to work duties of the bargaining unit members in the detective bureau and the juvenile bureau.

The City seeks the broader language to cover occasions when the normal assignment of bargaining unit members to specific duties must give way to an assignment which must be done and because of unusual work loads cannot be performed by those generally assigned to perform those duties. The City seeks to add the new language to the collective bargaining agreement in place and instead of the grievance settlement so that said language would supercede and be applicable to not only assignments between the detective and juvenile bureau, but any other

assignments of officer to other duties within the Department when the need arises.

Chief Ewart testified:

I don't believe that a unit a department of our size can afford that degree of specialization . . . and that we need some degree of flexibility so that at certain times, I should be able to take the Active Prevention Unit and a couple of juvenile officers and maybe somebody from Crime Prevention and a couple of detectives and assign them to working together on a particular problem for some short period of time." (Vol. 6, p. 119)

The Union resists the change because it would blur if not eliminate the distinctions between the Bureaus.

The Chief testified that juvenile officers could investigate adult crimes and had district and circuit court experience.

Sergeant Dave Richards with ten years in juvenile and seven years in detective bureau stated the approaches are different and with short-term transfers there could be problems and that a juvenile officer should never be assigned to the detective bureau on a temporary basis.

Former Chief Ladas agreed the two divisions should remain completely separated and that an officer is either a juvenile officer or a detective.

The Union states that St. Clair Shores police officers have long had the right to select the area in which they desire to work by seniority. It helps guard against arbitrary reassignments.

The Panel is of the opinion that the grievance of December 7, 1984, recognizes that there are times when it is necessary for juvenile officers to do detective work and vice versa.

In cross-examination it was pointed out to the Chief that he has the power to eliminate or reduce bureaus in size and to make temporary transfers up to 45 days under the terms of the collective bargaining agreement. He also has the right to make emergency reassignments under the grievance settlement and otherwise.

The Panel is of the opinion that the Chief has a degree of flexibility under the expired agreement as it existed and under the grievance settlement before mentioned and that the Union position of status quo should be and is adopted by the Panel.

AWARD: The Union position of status quo is adopted by the Panel.

ISSUE #9 (Non-Economic) City Reorganizational Issue

ASSIGNMENT TO ACTIVE PREVENTION UNIT

The City's Last Offer of Settlement is to amend Article IX of the 1982-1985 collective bargaining agreement by the addition of a subparagraph G which shall provide:

G. Officers applying for transfer to the Active Prevention Unit shall be selected at the discretion of the Chief of Police and the sergeant in charge of said Unit. Officers may be removed and reassigned if it is determined by the Chief or Unit supervisor that the officer is not suited for such work.

Upon activation of the APU, assignments shall initially be staggered at one, one-and-a-half years, two years and two-and-a-half years. Thereafter, assignments will be for a two (2) year period. Patrol officers must remain out of the Unit for at least two (2) years before they will be considered for reassignment within the Unit.

Scheduled hours of the Unit will be set up according to need and will be subject to change as necessary.

The Chief desires to assign police officers to an Active Prevention Unit. The unit will be assigned to handle large scale crime problems in the community.

The Department administration seeks to have discretion in determining assignments to the Active Prevention Unit. Similar discretion is provided in the Chief in regard to handle undercover narcotics operations, whereas most assignments to units in the Department are made by seniority.

The Union submits that the practices set forth in Union Exhibit 100 should be continued.

The Chief does not propose to eliminate seniority from consideration but it would not be the only consideration. No one would be in the APU Unit for more than two years at a time, so that there would be an infusion of fresh personnel.

Under the prior agreement in 1977, the Active Crime Unit was a permanent assignment with a minimum of five years seniority.

The Panel is of the opinion that the Chief should have flexibility as proposed by the City with regard to the APU unit.

AWARD: The last offer of the City is adopted by the Panel prospectively.

ISSUE #10 (Non-Economic) City Reorganizational Unit

CENTRAL DISPATCH

The City's Last Offer of Settlement is as follows:

Add the following as a new article to the collective bargaining agreement.

Article - CIVILIAN DISPATCH

A. The City shall have the right to establish a civilian central dispatch system. In implementing the civilian dispatch system, civilian dispatchers shall be required to pass a suitable training course provided through area colleges or the Michigan State Police. The schedule of implementation shall be determined by the City. No police officer shall be laid off as a direct result of the assumption of dispatcher duties by any civilian.

Section 9 (g), a factor to be considered by the Panel is:

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

The City did not raise as an issue during these proceedings whether or not reorganization of dispatch duties from Association members to civilians constitutes a mandatory subject of bargaining.

The Panel only has jurisdiction over mandatory issue of bargaining.

Metropolitan Council No. 23 and Local 1277, AFSCME v City of Centerline, 414 Mich 652, 327 NW2d 822 (1982).

Recent case law, which issued during the course of these Act 312 proceedings supports that the issue of Department's reorganization with regard to the phasing in assignment of dispatch duties in civilians is a permissive, and not a mandatory subject of bargaining.

This case law would support the City has the right to implement the civilian dispatch system without bargaining and without an award by the Panel.

In Ishpeming Supervisory Employees Chapter of Local 128 v City of Ishpeming, 155 Mich App 205, 400 NW2d 661, 1986, the Court was faced with an issue as to whether the Public Employment Relations Act imposes a mandatory duty upon an employer to bargain regarding a proposed reorganization and the transfer of work from employees or positions within a bargaining unit to employees or positions outside the unit. The Court held:

"... we believe the decision to eliminate jobs pursuant to a reorganization was within the scope of management prerogative and was not a mandatory subject of bargaining. The same is true regarding the concomitant decision as to which positions were to receive the duties previously associated with the old jobs." 400 NW 2d at 666

In this instance the City's proposal precludes layoffs and will result in service bureau officers being reassigned.

In United Teachers of Flint v School District of the City of Flint, Michigan Court of Appeals (Docket No. 88681) rel'd 12/4/86, citing Ishpeming Supervisory Employees Chapter of Local 128 v City of Ishpeming, supra, the Court of Appeals held:

"We agree with the rational of Ishpeming and hold the decision to eliminate teaching positions pursuant to a reorganization in which teaching duties are assigned to new community school director positions is within the scope of management prerogative and is not a mandatory subject of bargaining."

In this matter the City is not laying off bargaining unit members but is reassigning dispatching duties to civilian dispatchers. The Panel is not of the opinion that there is a safety factor involved despite the officers testimony and concern. There are a number of police comparables that have civilian dispatch. The Panel in view of these cases determine that the City's proposal to establish a civilian central dispatch system determines that this is a permissive subject of bargaining and is therefore not within the compulsory jurisdiction of this Panel.

This same issue of a Panel's jurisdiction was issued on April 16, 1987, by the Chairperson, Carl Cohen, in the Panel for the City of St. Clair Shores and the St. Clair Shores Firefighters Association, finding that the reorganization of the Fire Department and the implementation of a civilian centralized dispatch system was a permissive subject of bargaining and not properly within the compulsory jurisdiction of said Panel.

DETERMINATION: The Panel determines the civilian dispatch by the City is a permissive subject of bargaining and is therefore not within the compulsory jurisdiction of this Panel.

ISSUE #11 (Economic) City Reorganizational Issue

MINIMUM MANPOWER

SERVICE BUREAU

The City's Last Offer of Settlement is as follows:

The City proposes to end mandatory minimum manning contained in the document entitled "Minimum Manning Guidelines" dated September 5, 1979, as it applies to the Service Bureau. To this end, the City proposes that a new article be added to the collective bargaining agreement, Section B of which shall provide as follows:

jurisdiction of this Panel.

DETERMINATION: The subject of Traffic Division Minimum Manning is a permissive subject of bargaining and is not within the compulsory jurisdiction of this Panel.

ISSUE #13 (Economic) City Issue

MINIMUM MANNING

PATROL DIVISION

The City proposes to modify the minimum manning requirements contained in the documentation entitled "Minimum Manning Guidelines" dated September 5, 1979, as it applies to the Patrol Division.

ARTICLE - MINIMUM MANPOWER

A. Effective July 1, 1987, minimum staffing levels for the Patrol Division of the St. Clair Shores Police Department shall be established at the following:

Midnight Shift:

Midnight to 4 a.m. - September through May - 6 officers
Midnight to 4 a.m. - June through August - 8 officers
4 a.m. to 8 a.m. - All year - 4 officers

Day Shift:

8 a.m. to 4 p.m. - All year - 4 officers

Afternoon Shift:

4 p.m. to 8 p.m. - All year - 6 officers
8 p.m. to Midnight - September through May - 6 officers
8 p.m. to Midnight - June through August - 8 officers

The St. Clair Shores Police Officers Association in its last offer rejects the City's offer and proposes the status quo.

Under the patrol division manning under the agreement Joint Exhibit 3 (September 6, 1979) the Patrol Division minimums are: Day Shift - 6 patrolmen on the road. The City's proposal would reduce the number from 6 to 4.

The afternoon shift under the manning agreement is 8 patrolmen on the road between November 1 and March 31 and 2 additional patrolman on the road between 8:00 p.m. and 12:00 p.m. between April 1 and October 31 and 2 additional patrolmen on the road between 8:00 and 12:00 p.m. between April 1 and October 31.

The City proposes for the afternoon shift 4 p.m. and 8 p.m., 6 officers all year; 8 p.m. to midnight, September through May, 6 officers; and 8 p.m. June through August, 8 officers.

Under the present patrol manning agreement on the midnight shift: 6 patrolmen between November 1 and March 31; 2 additional patrolmen on the road between midnight and 4:00 a.m. between April 1 and October 31.

The City proposes for the midnight shift midnight to 4 a.m., September through May, 6 officers; midnight to 4 a.m., June through August, 8 officers; 4 a.m. to 8 a.m., all year, 4 officers.

Chief Ewart admitted the police supervisors had told him they could not work with less than the minimum. Lt. Donald Reeder, an employee Department for 20 years had experience on all three shifts and stated the current minimums are the minimum amount of officers he would care to work a shift with. The police witnesses for the Association expressed their concern for safety as did Lt. Frederick Marengo. Gerald Keller testified in favor of the present manpower for patrolmen as did Patrolman Ditchie.

The Chief would like to reduce the manpower and overtime and his City Exhibit 73 maintains that the minimum staffing requirements are clearly too high. There was considerable discussion by both sides regarding the Chief's Exhibit 73 which was compiled from a study of the dispatch cards.

The Union believes that a guarantee of minimum manpower for "patrol" is absolutely essential for the safety of its member police officers.

The Panel is concerned with the safety of the policemen and is of the opinion that the existing minimum numbers for the Patrol Division as it has been constituted should continue with the Hiring Modification proposed by the Union to afford the City some medium of relief with respect to overtime costs.

AWARD:The Panel adopts the St. Clair Shores Police Association's last offer of status quo with respect to minimum manning in the Patrol Division minimums and the Hiring to Meet Minimum as proposed by the Association.

The parties stipulated to the non-supervisory sergeant issue (Vol. 14, p. 15), the duration of the contract (3 years), and the status quo on certain retiree benefits. The applicable portions of the predecessor labor agreement (Joint Exhibit 2) which the parties adopt as part of their current agreement, except as modified by the award and the Panel's orders below, are a part of the record.

ORDER

ISSUE

ORDER

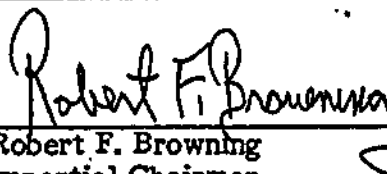
Economic Issue #1	Worker's Compensation Supplement Issue	City's Last Offer of Settlement
Economic Issue #2	Pension-Proposed Escalator	City's Last Offer of Settlement
Economic Issue #3	Pension-Military Service Time	City's Last Offer of Settlement
Economic Issue #4	Light Duty	Union's Last Offer of Settlement
Economic Issue #5	Sickness and Accident	Union's Last Offer of Settlement
Economic Issue #6	Vacation Conversion	Union's Last Offer of Settlement
Economic Issue #7	Wages	City's Last Offer of Settlement
Non-Economic Issue #8	Temporary Assignments	Union's Last Offer of Settlement
Non-Economic Issue #9	Assignment to Active Prevention Unit	City's Last Offer of Settlement
Non-Economic Issue #10	Central Civilian Dispatch	Determination: This subject is a permissive subject of bargaining and is not within the compulsory jurisdiction of this Panel
Economic Issue #11	Minimum Manning - Service Bureau	Determination: This subject is a permissive subject of bargaining and is not within the compulsory jurisdiction of this Panel
Economic Issue #12	Minimum Manning - Traffic Bureau	Determination: This subject is a permissive subject of bargaining and is not within the compulsory jurisdiction of this Panel

Economic Issue #13

Minimum Manning -
Patrol Division

Union's Last Offer of Settlement

PANEL OF ARBITRATORS



Robert F. Browning
Impartial Chairman



Kent Herbert, City Designee



Gerald E. Keller, Union Designee

Dated: August 27, 1987