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**FILE COPY**

In the Matter of:

CITY OF TROY,

Employer

-and-

TROY POLICE OFFICERS ASSOCIATION,  
FRATERNAL ORDER OF POLICE LABOR  
COUNCIL,

Union

MERC CASE NO. D82 D-1901

ACT 312 PUBLIC ACTS OF 1969,  
AS AMENDED

May 2, 1983

ARBITRATION

AWARD

AND

OPINION

ARBITRATION PANELDAVID S. TANZMAN, Chairing  
MICHAEL P. SOMERO, Union Delegate  
FRANK N. BLAKE, City DelegateIN ATTENDANCEEMPLOYER REPRESENTATION

FRED M. CROSS, Attorney

FRANK BLAKE, Personnel  
DirectorPEGGY CLIFTON, Personnel  
TechnicianROBERT MORTENSEN, Captain,  
Troy Police DepartmentJOHN T. DONOVAN, Chief of  
PoliceUNION REPRESENTATION

JOHN A. LYONS, Attorney

MICHAEL SOMERO, F.O.P.  
RepresentativeDANNY BARTLEY, President,  
T.P.O.A.DON ZIMMERMAN, Vice-President,  
T.P.O.A.JOSEPH QUAIATTO, Board of  
Directors, T.P.O.A.

HEARINGS

DATES: 10-25-82, 1-11, 2-1, 3-22, 3-23 and 4-19-83

PLACE: Offices of City of Troy, Michigan

BRIEFS: Filed with Arbitrator April 26, 1983

  
DAVID S. TANZMAN

Chairman/Arbitrator  
14510 Sherwood  
Oak Park, Michigan 48237  
548-9046

Pursuant to the Arbitration Act 312, Public Acts of 1969, as amended, the Troy Police Officers Association, Fraternal Order of Police Labor Council, hereinafter referred to as the "Union", on July 23, 1982 petitioned the Michigan Employment Relations Commission for arbitration of the issues remaining in dispute in its collective bargaining negotiations with the City of Troy, Michigan, hereinafter referred to as the "City" for a contract period beginning July 1, 1982.

The City responded to the Union's Petition for Arbitration August 6, 1982 and to each issue with its own position, evidencing interest in a two (2) year contract to the Michigan Employment Relations Commission.

MERC thereupon appointed David S. Tanzman on August 26, 1982 to serve as Chairman of a Panel of Arbitrators in the dispute. The City appointed Frank N. Blake as its Panel Delegate, and the Union designated Michael P. Somero as the Union Delegate on the Panel.

The Chairperson, after taking the appropriate oath, conducted a pre-arbitration hearing October 25, 1982. At said meeting the parties accepted the Arbitrator's suggestion that the parties meet without the Arbitrator December 7, 1982 to reduce the number of issues, if they cannot resolve them all. Thereafter the parties will meet with the Arbitrator January 10 and 11, 1983, if necessary.

The parties cancelled the December 7, 1982 meeting, and the Arbitrator held another pre-arbitration hearing January 11, 1983. He found the parties agreeable to further negotiations with the

Arbitrator assisting them in reducing the number of issues. Such meetings between the Representatives, Blake and Somero respectively, with Arbitrator Tanzman January 11, February 1, March 22 and March 23, 1983.

Both parties in fact presented their comparability data during our informal discussions since they had agreed in advance of Arbitrator's appointment to the following cities for that purpose as of July 1, 1982:

Clawson	Madison Heights
Pontiac	Farmington Hills
Birmingham	Bloomfield Township
Warren	Southfield
Sterling Heights	

At the arbitration hearing April 19, 1983, the parties agreed and stipulated to waive formal arbitration meetings, but to present their respective statements, data, exhibits and briefs directly to the Arbitration Panel which was charged with the directive to issue a Panel Award on the remaining issues in dispute. Parties filed their entire documentation as of April 26, 1983. The Panel met April 29, 1983 and in a prolonged executive session reviewed every statement, document, exhibit and brief quite thoroughly. We completed intense meeting time which resulted in the following Panel Award that is presented forthwith.

The issues addressed and numbered and noted as economic or non-economic are as follows:

	<u>ISSUE NO.</u>	<u>SUBJECT</u>
Economic	1	Wages
Economic	2	Pension Benefits
Economic	3	Sick Leave Benefits
Economic	4	Vacation
Economic	5	Duty Disability Benefits
Economic	6	Shift Schedule
Economic	7	Hospitalization Benefits
Economic	8	Tuition Benefits
Economic	9	Longevity Pay
Non-Economic	10	Promotional Contract Language
Economic	11	Jury Duty

The Panel will treat with the indemnification issue at the appropriate time in the Panel treatment of that matter in dispute between the parties.

## STATUTE DIRECTIVE

As provided by Michigan Statute Act 312, Public Acts of 1969 as amended, Paragraph 423.239, Section 9, the Arbitration Panel based 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 proceedings 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 pension, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- (g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

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

ISSUES: PARTIES' LAST OFFER POSITIONS AND ARBITRATION PANEL AWARD

The Panel is now prepared to identify the positions of the parties and the Panel's Award on each issue respectively.

ISSUE #1 - Wages and COLA

The City proposes to roll in COLA plus a five (5%) percent increase in base wages for patrolmen effective July 1, 1982, with a reopener during the second (2nd) year of the contract; the parties would negotiate wages for the second (2nd) year of the contract.

The Union Last Offer Position follows:

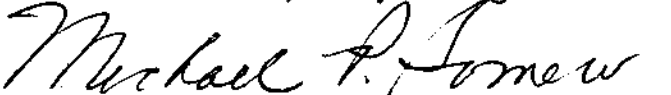
- A. 1st year (1982-1983): Roll COLA due from 1981-82 into present base wage and 6% increase of base wage.
- B. 2nd year (1983-1984): A wage reopener.
- C. Continue present COLA formula (already tentatively approved by the parties).
- D. All adjustments on wages, overtime/court time, longevity pay, holiday pay, sick pay, and shift premiums are retroactive to July 1, 1982.

The Panel's Award

The Panel adopts the Union Position as its award.

  
DAVID S. TANZMAN, Panel Chairman

  
FRANK N. BLAKE, City Delegate

  
MICHAEL P. SOMERO, Union Delegate



## ISSUE #2 - Pension Benefits

The City proposes no change to the present contract language regarding pension and retirement benefits.

The Union Last Offer Position proposes the following:

- A. Two (2%) percent of final average compensation for each year of service until age 62 then a factor of 1.7% of final average compensation will be used.
- B. There shall be no reduction in the pension benefit after receipt of social security based on increased social security benefits.
- C. Final average compensation is based on the five (5) best consecutive years out of the last ten (10) years worked.
- D. Increase the minimum duty disability benefit, payable until attainment of regular retirement age, to 2/3 of FAC. At regular retirement age, the benefit would be recomputed as a regular retirement benefit, with additional service credit for the period since date of disability.

## The Panel's Award

The Panel adopts the Union Last Offer Position as its award.

  
DAVID S. TANZMAN, Panel Chairman


  
FRANK N. BLAKE, City Delegate


  
MICHAEL P. SOMERO, Union Delegate

ISSUES #3 and #4 - Sick Leave and Vacation Accrual Benefits

The Union withdrew its position on these issues and joined the City in effecting no change to the present contract language.

  
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DAVID S. TANZMAN, Panel Chairman

  
\_\_\_\_\_  
FRANK N. BLAKE, City Delegate

  
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MICHAEL P. SOMERO, Union Delegate

ISSUE #5 - Duty Disability Benefits

The City proposes no change to the present contract language regarding duty disability benefits.

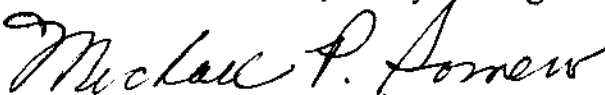
The Union in its Last Offer proposed four (4) hours of accrued leave time to be deducted from the member's bank per each pay period member is so disabled.

The Panel's Award

The Panel adopts the Union position as its award.

  
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DAVID S. TANZMAN, Panel Chairman

Dissent:   
\_\_\_\_\_  
FRANK N. BLAKE, City Delegate

  
\_\_\_\_\_  
MICHAEL P. SOMERO, Union Delegate

ISSUE #6 - Shift Schedule - Attendance

The City proposes the present contract language regarding shift bumps should be changed to read as follows:

Selection of shift and days off shall be chosen by officers according to seniority and within the guidelines of departmental orders. With the exception of the patrolmen assigned to the Detective Bureau, such selection shall be made every six (6) months with shift changes being made on the start of the pay period nearest the middle of the months indicated by the Union. Selection for assignment to the Detective Bureau shall occur every twelve (12) months.

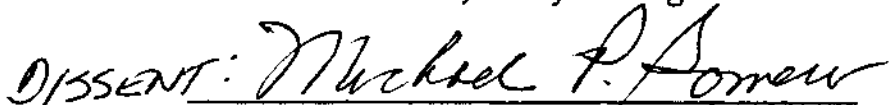
The Union Last Offer Position is to maintain the current practice of four (4) month bump periods.

The Panel's Award

The Panel adopts the City's Last Best Offer Position as its award.

  
DAVID S. TANZMAN, Panel Chairman

  
FRANK N. BLAKE, City Delegate

DISSENT:   
MICHAEL P. SOMERO, Union Delegate

ISSUE #7 - Hospitalization Benefits

The City proposes that there be a cap placed on the premium paid by the City for hospitalization insurance. The cap is essentially that the employee who elects to be covered by the City's insurance shall contribute any cost over One Hundred Ten (\$110.00) Dollars per pay period.

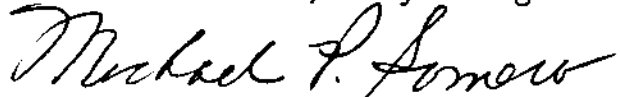
The Union, reflecting on some of the Arbitrator's suggestions in an effort to reduce the number of issues, proposes that the current practice be maintained with the members required to pay up to Ten (\$10.00) Dollars a month effective July 1, 1983. City to pay any additional increases.

The Panel's Award

The Panel adopts the Union Last Offer Position as its award.

  
DAVID S. TANZMAN, Panel Chairman

  
FRANK N. BLAKE, City Delegate

  
MICHAEL P. SOMERO, Union Delegate

ISSUE #8 - Tuition Benefits

The City proposes to place a cap on the amount of tuition reimbursement and education bonus that it will pay to covered employees who are members of the Association and on the payroll July 1, 1982.

The Union Last Offer, resulting from the Arbitrator's suggestion, is prepared to accept the following:

A. City shall issue a letter of understanding which shall incorporate Article 39 modified to provide up to Five Hundred (\$500.00) Dollars in any fiscal year to those members on the payroll as of July 1, 1982.

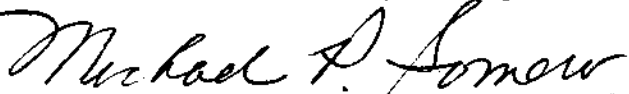
B. Article 39 shall be eliminated from the contract.

The Panel's Award

The Panel adopts the Union Last Offer Position in the form of the ensuing Letter of Understanding as its arbitration award.

  
DAVID S. TANZMAN, Panel Chairman

  
FRANK N. BLAKE, City Delegate

  
MICHAEL P. SOMERO, Union Delegate

May 5, 1983

LETTER OF UNDERSTANDING

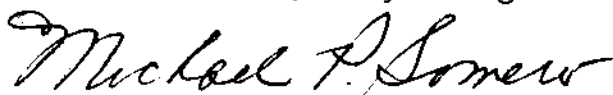
A. An officer on the payroll July 1, 1982 may be eligible for tuition reimbursement under the following conditions:

1. Reimbursement shall be for one half of the officer's actual tuition cost and shall not duplicate any financial aid such as scholarships, grants and aids, GI Bill, etc.
2. Reimbursement shall be tuition costs only and shall not include other fees or expenses.
3. Courses included in this program must be either (a) Law enforcement in nature or (b) a required course in a college degree program which is law enforcement in nature.
4. The course must be taken at an accredited school or university, but does not have to be a credit course.
5. A final grade of "C" or better must be achieved.
6. No officer shall receive more than \$500.00 under this program in any fiscal year.

FRANK N. BLAKE  
Personnel Director

  
DAVID S. TANZMAN, Panel Chairman

  
FRANK N. BLAKE, City Delegate

  
MICHAEL P. SOMERO, Union Delegate

ISSUE #9 - Longevity Pay

The City proposes that the following language be inserted in the contract regarding longevity pay:

All officers shall receive longevity pay on or before December 20 of each payment year in accordance with the following schedule:

<u>Years of Continuous City Service as of November 30 of Payment Year*</u>	<u>Percentage of Base Pay Earned From December 1 through November 30</u>
4 - 8 years	2% - but not more than \$550
9 - 13 years	4% - but not more than \$1,100
14 - 18 years	6% - but not more than \$1,650
19 years or over	8% - but not more than \$2,200

\*If worked nine (9) or more months of previous twelve (12) months, will receive maximum dollar figure shown; otherwise the percentage shown.

The Union position is that the present contract language should remain unchanged.

The Panel's Award

The Panel adopts the City Last Offer Position as its award.

  
DAVID S. TANZMAN, Panel Chairman

  
FRANK N. BLAKE, City Delegate

DISSENT:   
MICHAEL P. SOMERO, Union Delegate



ISSUE #10 - Promotional Contract Language

The City proposes to change certain contract language in the contract regarding modifying the present Civil Service System as provided for under Act 78 as follows:

Promotional eligibility lists for Police Sergeants shall be created in accordance with Public Act 78 and said commission's rules and regulations; but with the following exceptions:

- A. The appointing authority may appoint any one (1) of the top three (3) eligibles for each vacancy;
- B. The eligibility list shall expire after one (1) year from the date of its creation;
- C. The "cut score" shall be a raw seventy (70%) percent of question items on written (if written is given);
- D. Should no officer pass the examination (qualifies), examination may be given to outside candidates.

The Union proposed the retention of current practice.

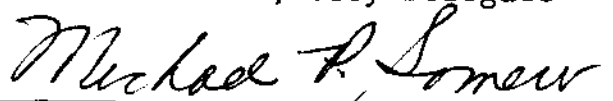
The Panel's Award

The Panel probed many combinations of accommodation after accumulation of reasons, and objections for, the change.

It finally declares its award to continue the present practice, but the eligibility list shall expire after one (1) year from date of its creation.

  
DAVID S. TANZMAN, Panel Chairman

Dissent.   
FRANK N. BLAKE, City Delegate

  
MICHAEL P. SOMERO, Union Delegate

## TEMPORARY AGREEMENTS

### 1. Jury Duty, etc.

The Union accepted the City's offer to continue the current practice pertaining to straight time wages for actual time lost from work while performing jury duty, etc., as set forth in Article XXIV, Section 108 of the current AFSCME Clerical Contract.

### 2. Indemnification and Insurance

The City reaffirmed its continued commitment to the Letter of Understanding dated November 10, 1980, modified only by contract date for 1982-84 which indicates in the event there is a change to City Ordinance #10, Chapter 4, during this contract period, the City and the Association shall re-open for discussion and negotiations concerning indemnification.

The Union accepted this City declaration; withdrew its position without prejudice, thereby effecting a tentative agreement on the matter (see Attachment #1).

### 3. Non-Economic Aspect of Duty Disability

The Panel wishes to direct the City to investigate the time it takes for the insuring agency to issue the insurance checks due the disabled employee.

Upon the employee making proper and timely application, he/she can only depend upon the responsible administration by the City of its function and in turn make certain the insuring agency is mindful


of the needs of an employee being even greater when disabled and receiving a lesser income than when on normal duty.


The remaining parts of the contract between the parties which were not part of the negotiations; or which after being proposed for change such proposal(s) were withdrawn; and any other temporary agreements and/or other understandings, effected between the parties prior to the official effort and involvement of the Arbitration Panel, shall be incorporated and considered part of this Award.

The Panel wishes to acknowledge the cooperation of the parties and their respective and joint commitment to accommodation rather than conflict.

Respectfully submitted,

  
DAVID S. TANZMAN, Panel Chairman

  
FRANK N. BLAKE, City Delegate

  
MICHAEL P. SOMERO, Union Delegate

Dated: May 2, 1983

*Attach # 1*

10. INSURANCE AND INDEMNIFICATION OF OFFICIALS AND EMPLOYEES OF THE CITY OF TROY

Each elected and appointed official and employee of the City of Troy now or hereafter serving as such, shall be indemnified by the City of Troy against any and all claims and liabilities to which he has or shall become subject by reason of serving or having served as such official or employee, or by reason of any action alleged to have been taken, omitted, or neglected by him as such official or employee which occurred in the course of his employment and within the scope of his authority; and the City of Troy shall provide legal representation for or reimburse each such person for all legal expenses reasonably incurred by him in connection with any such claim or liability, provided, however, that no such person shall be indemnified against, or be reimbursed for any expense incurred in connection with any claim or liability arising out of his own wilful misconduct or gross negligence.

The amount paid to any official or employee by way of indemnification shall not exceed his actual, reasonable and necessary expenses incurred in connection with the matter involved, and such additional amount as may be fixed by the Council for the City of Troy and any determination so made shall be prima facie evidence of the reasonableness of the amount fixed or binding on the indemnified official or employee.

The right of indemnification hereinabove provided for shall not be exclusive of any rights to which any official or employee of the City of Troy may otherwise be entitled by law.