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TOWNSHIP OF WATERFORD
AND
ASSOCIATION OF WATERFORD POLICE SUPERVISORS

MERC CASE NO. D81 J-2580

Petition filed 1-29-82

HEARINGS IN this Michigan Employment Relations Case No. D81 J-2580, under Act 312 of the Public Acts of 1969 as amended (MCLA 423.231, were held on February 9 and 10, 1983, April 18, 1983, and May 17, 1983 at the Waterford Township Hall, 5200 Civic Center Drive, Waterford, Michigan.

Shirley T. Schwimmer was Chairperson of the Arbitration Panel, Mr. Michael P. Somero was the Union Panel Member and Mr. James F. Schell was the Township Panel Member.

Appearing on behalf of the Union was attorney John A. Lyons, Jr. of the firm of Lippitt, Lyons and Whitefield. Appearing on behalf of the Township was Mr. Phillip Goodman of the firm of Shifman and Goodman, P.C.

There were 194 Exhibits. Testimony was heard from ten (10) witnesses.

THE COLLECTIVE Bargaining Agreement between the parties expired on December 31, 1981. The Association of Waterford Police Supervisors (hereinafter, Union) and the Charter Township of Waterford (hereinafter, Township) exchanged demands on October 21, 1981. Extensive negotiations took place and mediation was provided to the parties.

The Union filed for arbitration pursuant to Act 312 of the Public Acts of 1969, as amended. The original petition was filed January 27, 1982 and was amended by letters dated April 29, 1982 and May 19, 1982.

During the hearing process some of the issues were withdrawn and/or settled by the parties.

In the final offer both parties offered: (1) a three (3) year agreement commencing January 1, 1982 and terminating December 31, 1984 (2) Maintenance of current contract language as to dental insurance (3) Retroactivity except as specifically noted in the last best economic offer.

The issues remaining for resolution by the arbitration panel are as follows:

Union: Salary, COLA, Pension, Health Insurance for Non-Duty Retirants, Layoffs, Grievance for Transfer Assignments, Rank Structure, Retroactivity

Township: Off Duty Court Time, Vacation,
Longevity, Step Increments for Probationary
Employees, Health Insurance, Sick Leave Upon
Separation, Rotation of Shifts.

ECONOMIC ISSUES IN DISPUTE

Wages

Township:

January 1, 1982	5%
January 1, 1983	0%
January 1, 1984	4%

Union:

January 1, 1982	9%
January 1, 1983	2%
January 1, 1984	4%

Cost of Living Allowance (COLA) - Article XXVII and Letter of Understanding

Township:

Maintain present language but no further fold
in of COLA is proposed for the term of the
contract.

Union:

Maintain present language and continue the
Letter of Understanding with appropriate date
changes to provide for fold in.

Vacations - Article XX (A)

Township:

Implement new vacation schedule as follows:

1 - 7 years	1 day per month
8 - 14 years	1 1/2 days per month
15 - 19 years	2 days per month
20 + years	2 1/3 days per month

Union:

Maintain the status quo as follows:

0 - 5 years	1	day	per month
5 - 10 years	1 1/2	days	per month
10 - 15 years	2	days	per month
15 + years	2 1/3	days	per month

"said acculuation shall not exceed more than three (3) years."

Longevity Pay

Township:

Modify the provisions of Article XXI to read as follows:

It is further by and between the parties hereto that the employees in the Association as of the effective date of this contract shall receive as longevity pay a percentage of their annual salary as shown on the attached Schedule "A" and shall be entitled to a percentage increase based on the length of service in said Department as set forth in the following schedule:

(a) After six (6) years service-two percent (2%) of the base schedule as shown on Schedule "A" of the annual salary attached hereto.

(b) After ten (10) years service-four percent (4%) of the base schedule as shown on Schedule "A" of the annual salary attached hereto.

(c) After fifteen (15) years service-six percent (6%) of the base schedule as shown on Schedule "A" of the annual salary attached hereto.

(d) After twenty (20) years service-eight percent (8%) of the base schedule as shown on Schedule "A" of the annual salary attached hereto.

(e) After twenty-five (25) years service-ten percent (10%) of the base schedule as shown on Schedule "A" of the annual salary attached hereto.

(f) The longevity pay shall be paid proportionately over the regular twenty-six (26) pay periods.

Add to the provisions of Article XXI, the following:

For employees hired in the department after the effective date of this agreement, the following longevity schedule will apply:

6 - 9 years	\$200.00
10 - 14 years	\$300.00
15 - 19 years	\$400.00
20 - 24 years	\$500.00
25 years or more	\$600.00

Union:

Maintain the status quo which currently provides:

6 - 9 years	2%
10 - 12 years	4%
13 - 15 years	6%
16 - 20 years	8%
21 + years	10%

Health Insurance Costs

Township:

The Provisions of Article XXII, Section A shall be modified to read as follows:

The hospitalization program of Blue Cross and Blue Shield plans (semi-private including the officers' families) "with a fifty (\$50.00) dollar deductible for each hospital admission to be paid by the employee, shall be provided and the premiums". "The Township and Association agree that at any time alternative health insurance plans to Blue Cross-Blue Shield may be obtained in order to obtain less costly insurance as long as their is no substantial reduction in benefits. In the event of a dispute over whether such less costly insurance provides substantially the same benefits, the parties shall agree on a neutral third party to make such determination, which shall be binding on the parties."

Union:

Maintain the status quo, which currently contains a deductible of less than \$50.00 though the record is not specific.

Pension

Multiplier - Act 345

Township:

Maintain the present 2% multiplier

Union:

Improve the multiplier from 2% to 2.5%

Final Average Compensation (FAC) - Act 345

Township:

Maintain the status quo of the best five (5) years of the last ten (10) years of service.

Union:

Base FAC upon the best three (3) years of the last ten (10) years of service.

Court Time Compensation

Township:

Modify provision of Article XVII, Section B as follows:

- "1. 2 hours or less, 2 hour minimum
2. More than 2 hours, actual time worked."

Union:

Maintain status quo which is presently a minimum payment for court time of three (3) hours at time and one half.

Increment for Probationary Employee

Township:

Add to the provisions of Schedule "A" the following language:

Each employee promoted to the following ranks, during the first six (6) months thereof, shall receive fifty (50%) percent of the difference between his or her old base rate and the new base rate set forth, and thereafter, upon successful completion of said probationary period, shall be paid the total base amount set forth.

Union:

The Union would agree to a "ninety (90) day to full pay" step increment, one-half upon promotion, full pay at ninety (90) days.

Transfer Assignment Subject to Grievance Procedure

Township:

Modify the provisions of Article XIV, Section E as follows:

In making transfer assignments, consideration will be given to fitness for the assigned duties and responsibilities and seniority. Employees shall have the right to discuss with police chief the basis for such assignments. Such assignments shall be subject to the grievance procedure only if they are made arbitrarily or capriciously or if the notification and review procedure outlined herein is not followed.

Union:

The last sentence of Section (E) should read:

"The decision of the Police Chief in the matter of transfer assignments which will exceed thirty (30) days shall be subject to the grievance procedure."

NON ECONOMIC ISSUES

Rotation of Shifts

Township:

Modify the provisions of Article XIV, Section A to read either as:

Each employee shall rotate to a different shift once each three (3) months, with seniority having preference on each new shift to be worked.

or

Each employee shall rotate to a different shift once each month, with seniority having preference on each new shift to be worked.

Union:

Maintain status quo which provides for quarterly shift rotation on a voluntary basis, based on seniority.

Sick Leave Pay Off Upon Separation

Township:

Modify the provisions of Article XXIII, Section E as follows:

An employee upon retirement or to his designated beneficiary upon death shall be paid fifty (50%) percent of accumulated sick leave days. Such payment shall be up to a maximum accumulation of two hundred (200) sick leave days or an actual payment of a maximum of one hundred (100) days.

Presently the contract calls for payment for maximum accumulation of three hundred (300) days or actual payment of a maximum of one hundred fifty (150) days.

Union:

Maintain present contract language.

Non Duty Disability Retirement - Article XXII, (E) and (F)

Township:

Maintain the status quo of health insurance for duty disability and regular retirees only.

Union:

Provide health insurance for non duty disability retirees for the first two years of retirement.

Reduction in Rank to Avoid Lay Off

Township:

Modify Article XIII to read as follows:

Layoffs shall be made in conformity with the principle of seniority, i.e. the last one hired being the first one laid off, and the first one laid off being the last one recalled. In the event there is no conflict with the

provisions of the collective bargaining agreement between the Charter Township of Waterford and Waterford Police Officers Association, and the Waterford Police Officers Association agrees in writing, an employee who is laid off may exercise his seniority, in order to avoid such lay off, to select a position in a lower rank, which will result in the reduction in rank or lay off of a less senior employee.

Union:

The Union suggests adding a paragraph:

"When it becomes necessary, based on proven reasons of economy, to implement the layoff procedures of this Article, Unit members shall have the option of being reduced in rank to avoid any lay-offs. The Union shall have at least thirty (30) days notice of any proposed layoff."

Rank Structure

Township:

Maintain the status quo.

Union:

The rank title in Unit shall be changed from:

Lieutenant	to	Staff Lieutenant
Sergeant	to	Lieutenant
Corporal	to	Sergeant

No other change is intended to accompany the title change.

Retroactivity

Township:

The Township position has not been specifically addressed.

Union:

Retroactivity should be applied to all economic benefits where it is possible to make retro-activity applicable.

DISCUSSION OF ISSUES

THE UNION contends that it's primary interest is to keep pace with benefits to the Township's Patrol groups which enjoy improved or continued benefit levels. The Union states that it hopes to catch-up on salary and pension benefits and to maintain the status quo on vacation schedules, longevity schedules and health insurance costs.

The Union offers as comparable organizations: the police patrol group, fire fighters of Waterford Township and Township Supervisors. As comparable communities the parties stipulated as to the following: Birmingham, Bloomfield Township, Farmington Hills, Oakland County, Royal Oak and West Bloomfield. In addition the Township proposed Troy and Madison Heights which the Union rejected.

The Union contends that the Township has sufficient funds to cover the economic costs of its proposals. The Union identifies a Township general fund balance of one hundred sixth thousand dollars (\$160,000.00) at the end of 1982. The Township has set aside one hundred thousand dollars (\$100,000.00) in its 1983 contingency budget for wage and fringe benefit improvements for its employees.

The Township argues that its economic picture is not as impressive as it appears when presented by the Union.

The Township claims that it lost \$422,287.00 in State shared revenue by December 1, 1982 for the 1982 fiscal year. As this money was being lost personnel was eliminated by layoff and attrition.

Revenue was reduced due to substantial reduction in building, heating and plumbing permits, inventory tax rebates, district court revenues, subdivision and plot review fees, etc. Projected loss for the 1982 fiscal year is stated as \$524,261.69.

The Township purchased and remodeled an elementary school for use as a police department. The cost of remodeling taken from the general fund was \$113,269.65. In 1983 the land contract purchase will require \$91,260.00 as payment.

The Township was told by the State of Michigan that the 51st District Court House was inadequate, and so it will be required to expend funds for planning and construction of a new court. A bond issue for this purpose was put on the ballot but was defeated. The money must come from general funds.

At a cost of \$37,105.00 a new phone system is being installed for the Township. Also, shortly a new roof will be placed on the police building. The cost will be \$99,794.00 and has not yet been budgeted.

For the 1983 fiscal year, based upon further

revenue reductions, department head requests were slashed by \$512,000.00 and elimination of seven (7) employees was proposed. Wage freezes were proposed for both patrol and supervisor police units.

Estimates of loss from State revenues as of May 17, 1983 for the 1983 fiscal year were \$281,475.00. Termination payoffs through February 5, 1983 totaled \$74,662.27 in costs from general funds.

Pending disposition of a challenge to the 6% state equalization factor, the Township may be forced to refund approximately \$180,000.00 in property taxes. Further, the Township's equalization valuation has been reduced so that the 1983 revenues will be decreased by \$130,692.02 from the 1982 revenues.

Finally, five (5) collective bargaining contracts are unsettled in Waterford representing eight (8) years of contract improvements. These contracts cover 1982, 1983 and 1984 for patrol officers and police supervisors and 1983 contracts for ASCHME and District Court.

WAGES

Township Position: Over \$300,000.00 of the contingency funds must be spent on needed building improvements. A review of percentage increases for supervisors shows an increase of 10.13% per year since 1975 and since 1978 an average of 9.7% per year. In December of 1971 a COLA of \$725.00 was folded into the base pay of each employee. This amounted to a 3% increase for corporal detectives, 2.9% for sergeants and 2.6% for lieutenants,

Analysis of nine comparable communities converted to the same fiscal year show Waterford supervisors to be third highest. Corporal Detectives are highest paid, sergeants fifth highest and lieutenants are seventh highest. Also, among the comparables the Township is ranked fifth in percentage of general fund budget spent on police services. In 1982 Waterford will spend 3% more of its general fund for police service than in 1981.

The Township alleges that the Union exhibit on comparable wages is faulty because it fails to alter all comparables to the same fiscal year. That inflated some of the comparables budgets. After computing the Township's offer of a 5% increase in the first year, lieutenants would be second lowest (seventh highest) paid and sergeants would be fourth lowest (fifth highest) paid. Of the four communities which utilize corporal-detectives, the Township's were highest paid.

(Please refer to the section on longevity pay for further comparison.)

Union Position: \$100,000 to \$400,000 is held in contingency for wage improvements. The percentage of total budget for police spending has decreased since 1976. Waterford has had a surplus of revenue since 1981 despite revenue reductions and a surplus is anticipated for 1983. Waterford has the lowest base pay of all comparables, even on COLA.

COLA

Township Position: The COLA in 1981 was a fixed sum of \$725.00 for all members of the Unit. It was rolled into base pay on December of 1981.

Of comparables, four (4) pay no COLA and of the rest, Birmingham has a \$.50 per hour cap for the three (3) year contract term; Troy has a \$.15 cap for July 1, 1981 through June 30, 1982. In the 2nd and 3rd year of Royal Oak's contract the limits were a 6% increase for the 2nd year and a 4.4% increase in the 3rd year.

Union Position: The Union requests maintenance of the current COLA allowance plus continuation of the fold-in. Only Royal Oak rolls its COLA into base pay. Waterford will still have lower base pay even with fold-in of COLA.

PENSION

A. Health Insurance for Non-Duty Disabled Officers

Township Position: Blue Cross is presently provided for all duty-disabled retirees and full term retirees.

Of comparables, Bloomfield Township, Oakland County and Royal Oak provide this benefit on an unlimited basis. Birmingham provides it for thirty (30) days after non-duty retirement. West Bloomfield and Farmington Hills do not provide this coverage. Madison Heights provides insurance after 25 years of service and Troy pays \$35.00 of the monthly premium.

The cost to the Township would be \$2,422.04 per retiree for family plan coverage. This cost is deemed unnecessary because the disabled retiree will receive Social Security benefits for 24 months and Medicare benefits for medical expenses.

Union Position: Comparables provided insurance for all retirees.

B. Retirement Formula

Township Position: The present multiplier is 2% of average compensation times years of service. The average is determined by the best five (5) of the last ten (10) years.

The comparables show Waterford to be most generous with a \$1,500.00 per year advantage over the next highest.

The Union demand would cause a nearly 50% increase

in the percentage of earnings contributed to the retirement system by the employer. It would increase from the current 19.4% of earnings to 27.9%.

The effect would be to increase retirement benefits by 18%.

Union Position: There is permissive legislation to increase the multiplier from its current 2% and best five (5) of ten (10) years. Only Madison Heights also has an Act 345 type pension so comparison is misleading.

The 2% multiplier is the statutory minimum.

RANK STRUCTURE

Township Position: There is no logical reason why the titles should be altered. The real reason appears to be to set up future wage increases.

Union Position: The rank structure contributes to reduced ineffectiveness of the members.

Reduction in Rank Due to Layoff

Township Position: The Township has no complaint about the proposal by the Union except as it impacts the Police Officer's Association bargaining unit, which has a separate contract.

Union Position: This position is consistent with comparables.

TRANSFER ASSIGNMENTS

Township Position: Management must have the reasonable decision of placing employees in the best positions. The compromise offered by the Township is intended to protect management authority while preventing abuse.

Union Position: No comparables have language that the Chief's transfer decision is final and binding. Grievance procedure was employed 35 times in comparable communities for transfer.

OFF DUTY COURT TIME

Township Position: Of comparables only Farmington Hills compensates officers as Waterford does. All others pay a two (2) hour minimum at straight time or require employees to work the balance of the minimum time.

The three (3) hour minimum is a windfall for the employees. A review of court time from 1980-1982 shows average time spent in court in 1980 was 1 hour, 8.6 minutes, in 1981, 1 hour, 15 minutes and in 1982 1 hour, 12.8 minutes.

Union Position: No substantial evidence suggests a change is necessary.

VACATION ACCUMULATION AND CARRY OVER

A. Accumulation

Township Position: Of comparable communities,

Waterford is the most generous. Over a 25 year career a Waterford officer earns 550 vacation days, 32 more than the next highest and 89.10 days more than average. If sick days are not used, 25 more days may be added.

A Waterford Officer may accumulate up to 84 days of vacation. Birmingham and Farmington Hills have no carry over with permission of the Chief and City Manager.

The Township proposal will reduce total vacation days for a 25 year career to 482 days. Still above the 460.9 days average.

In 1981 the loss of manpower to the department for the 18 member unit was 451.8 days which must be covered by other means.

B. Carry-Over

Township Position: Presently 84 days per year may be carried-over. The days unused result in increased stress and fatigue for officers. When and if an officer elects to use his carried-over days it creates a burden on the department which cannot be planned for.

The dollar pay-offs for accumulated days is very burdensome and also cannot be planned. In Waterford, in 1981 wages, an employee with maximum accumulation would be entitled to a payoff of \$8,626.15.

Through February 5, 1983 the Township paid \$22,062.50 in unplanned and unbudgeted vacation payoffs.

Union Position: The Unit presently enjoys the same Vacation Benefits as the patrol groups, the fire fighters and the Township Administrators. Based on internal comparables there is no reason to change the vacation schedules.

LONGEVITY

Township Position: Waterford pays the second highest longevityi among comparables. Farmington Hills pays only 3% more. Modification would put the Township in line with Bloomfield Township, Madison Heights, West Bloomfield, Birmingham and Royal Oak.

The longevity payments are becoming burdensome as the majority of Unit employees will be eligible for the greatest longevity factor by 1990.

The historical rationale for longevity pay, worker incentive to remain on one job, has become obsolete due to the job market.

The Township prefers fixed dollar amounts as opposed to percentage increases as simplifying calculation of economic burden.

Union Position: Maintain status quo. The fire, patrol and Township Supervisors receive the same or similar benefit.

STEP INCREMENTS FOR PROBATIONARY EMPLOYEES

Township Position: Presently the employee receives the full raise upon promotion. A review of comparable communities shows only Bloomfield Township and West Bloomfield do not provide step increments.

Patrol Officers have a four (4) year incremental basis and Township ASCHME employees are on a four (4) step increment.

Union Position: The Union will agree to a 90 day to full pay $\frac{1}{2}$ step increment rather than the six (6) month increment proposed by the Township.

INSURANCE PREMIUM COST

Township Position: Rather than a 50-50 sharing of Hospital Insurance cost increases between labor and management the Township now proposes a higher deductible of \$50.00.

The insurance premium has increased since 1980 from \$1,422.84 to \$2,429.04 for full family coverage.

The cost of a \$50.00 deductible premium is \$218.89 rather than the present \$225.61 per month.

Union Position: The status quo must be maintained. Most comparables provide full payment of fringe benefits and all internal comparables are provided full payment of benefits.

SHIFT ROTATION

Township Position: Shift rotation on a quarterly basis would create improvements in employee efficiency and training of younger recruits by improving more varied contact among employees. It is in the best interest of the department to re-shuffle the supervisors by preventing shift in-breeding. It helps create more uniformity of practices.

Problems of shift adjustment can be alleviated by such practices as scheduling a day-off between shift changes.

Presently, the seniority based rotation puts junior members at a disadvantage and relegates them to least desirable shifts.

Union Position: There is no substantial evidence to base a change from the present voluntary system of seniority based rotation.

FINDINGS AND DISCUSSION

THE FINAL opinions and orders of this panel are made after a careful consideration of all of the testimony, exhibits, and arguments of the parties and in conformity with the criteria enumerated in Act 312.

- a. The lawful authority of the employer.
- b. Stipulation 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 pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- g. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

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

WAGES - Article XVIII, Schedule A

Township:

January 1, 1982	5%
January 1, 1983	0%
January 1, 1984	4%

Union:

January 1, 1982	9%
January 1, 1983	2%
January 1, 1984	4%

I have carefully examined and weighed all of the evidence and arguments presented and have carefully applied the eight (8) criteria enumerated in Act 312.

This careful consideration and weighing leads to the following:

5% was to become effective as of January 1, 1982	(+\$725)
2% was to become effective as of January 1, 1983	(+\$725)
5% was to become effective as of January 1, 1984	(+\$725 COLA roll-in

COST OF LIVING ALLOWANCE (COLA) - Article XXVIII and Letter of Understanding

Township:

\$725.00 COLA - no fold into base.

Union:

Maintain the current COLA allowance and continue the Letter of Understanding with appropriate date changes to provide for a fold-in.

Both parties agree the COLA shall be \$725.00 per year. The disagreement is whether it shall be rolled into base pay as provided in the Letter of Understanding.

The Township has not sustained its burden of showing why the language of the present agreement as embodied in the Letter of Understanding should be changed.

The Union position is upheld with the addition of this language:

"The Charter Township of Waterford agrees to fold-in the 1984 COLA allowance of seven-hundred and twenty-five, \$725.00, into the 1984 base salary on December 31, 1984."

PENSION

- A. Health Insurance for Non-Duty Disability Retirants Article XXII, (E) and (F)

Township:

Maintain the present language of health insurance for duty disability and regular retirees only.

Union:

Provide health insurance for non-duty disability retirees for the first two years of retirement.

The Union has not presented sufficient evidence to sustain a finding that the Township should extend health insurance to non-duty disability retirants.

B. Retirement Formula

Multiplier - Act 345

Township:

Maintain the present 2% multiplier.

Union:

Improve the multiplier from 2% to 2.5%.

Final Average Compensation (FAC) - Act 345

Township:

Maintain the status quo of the best five (5) years of the last ten (10) years of service.

Union:

Base FAC upon the best three (3) years of the last ten (10) years of service.

Township:

Maintain current contract language.

The Union has not presented sufficient evidence, especially as to costs, to sustain a finding in favor of its proposal.

The current contract language shall be maintained.

SICK LEAVE PAY OFF UPON SEPARATION

Township:

Modify the provisions of Article XXIII,
Section E as follows:

An employee upon retirement or to his
designated beneficiary upon death shall be
paid fifty (50%) percent of accumulated sick
leave days. Such payment shall be up to a
maximum accumulation of two hundred (200)
sick leave days or an actual payment of a
maximum of one hundred (100) days.

Presently the contract calls for payment
for maximum accumulation of three hundred
(300) days or actual payment of a maximum
of one hundred-fifty (150) days.

Union:

Maintain present contract language.

The Union position is sustained. The City has not
presented sufficient proof to change a long standing benefit.

No employee presently employed comes close to the
maximum permissible limit.

RANK STRUCTURE

Township:

Maintain current rank structure.

Union:

The rank in Unit shall be changed from:

Lieutenant	to	Staff Lieutenant
Sergeant	to	Lieutenant
Corporal	to	Sergeant

In my experience Sergeants are normally considered the first rank in supervision. Corporals are usually, in police departments, considered to be fully paid patrolmen.

It is understandable that the first rank of supervisors in Waterford would wish to have the same title that is used in most police departments in Michigan.

The Township is concerned that this change in title will be used to signify a change in job content and therefore would be used as a basis for future wage increases.

The Township has three (3) ranks of supervisors within the bargaining unit. Whether the bottom rank is called corporal or sergeant does not change his/her position as the lowest rank of supervisor.

The Union position is upheld with the addition of this language:

"RANK

There shall be three (3) ranks of supervision.

Their titles shall be changed from the former:

Lieutenant to the present Staff Lieutenant

Sergeant to the present Lieutenant

Corporal to the present Sergeant

These changes in title, which are only in title, shall be made throughout the contract. No benefit shall be increased or decreased because of change in nomenclature.

No change in job duties will occur as a result of these changes in title.

These changes in title are also applicable to Detectives whose benefits shall not be increased or decreased because of change in nomenclature.

REDUCTION IN RANK TO AVOID LAYOFF

Modify Article XIII to read as follows:

Township:

Layoffs shall be made in conformity with the principle of seniority, i.e. the last one hired being the first one laid off, and the first one laid off being the last one recalled. In the event there is no conflict with the provisions of the collective bargaining agreement between the Charter Township of Waterford and Waterford Police Officers Association, and the Waterford Police Officers Association agrees in writing, an employee who is laid off may exercise his seniority, in order to avoid such lay off, to select a position in a lower rank, which will result in the reduction in rank or lay off of a less senior employee.

Union:

The Union suggests adding a paragraph:

"When it becomes necessary, based on proven reasons of economy, to implement the layoff procedures of this Article, Unit members shall have the option of being reduced in rank to avoid any layoffs. The Union shall have at least thirty (30) days notice of any proposed layoffs."

The parties agree there should be a modification or addition to Article XIII so as to provide a bumping procedure in the event of layoff.

The Township is concerned that any bumping procedure not impinge or conflict with its contractual obligations under the agreement it has with the patrolmen seems to be a valid concern. I therefore believe the language proposed by the Township is more appropriate.

"In the event there is no conflict with the provisions of the collective bargaining agreement between the Charter Township of Waterford and Waterford Police Officers Association, and the Waterford Police Officers Association agrees in writing, an employee who is laid off may exercise his seniority, in order to avoid such layoff, to select a position in a lower rank, which will result in the reduction in rank or lay off of a less senior employee."

TRANSFER ASSIGNMENTS - Article XIV, (E)

Township:

In making transfer assignments, consideration will be given to fitness for the assigned duties and responsibilities and seniority. Employees shall have the right to discuss with police chief the basis for such assignments. Such assignments shall be subject to the grievance procedure only if they are made arbitrarily or capriciously or if the notification and review procedure outlined herein is not followed.

Union:

The last sentence of Section (E) should read:

"The decision of the Police Chief in the matter of transfer assignments which will exceed thirty (30) days shall be subject to the grievance procedure."

The parties agree that there should be some modification of Article XIV, (E) for the grievance procedure to operate in a dispute concerning transfer assignments.

The ability of an employee to file a grievance and ultimately to have his/her grievance heard by an arbitrator is one of the important non-economic terms of a collective bargaining agreement.

The language proposed by the Union is broader and therefore more acceptable.

OFF DUTY COURT TIME - Article XVII (B)

Township:

Change the minimum payment for court time from three (3) hours at time and one half to two (2) hours at time and one half.

Union:

Maintain the status quo.

The evidence presented as to the costs sustains the Township position.

Article XVII, (B) should be changed so as to provide the minimum payment for court time to two (2) hours at time and one half. This change is retroactive to the effective date, January 1, 1982.

VACATIONS - Article XX (A), (B)

Township:

Article A

Implement new vacation schedule as follows:

1 - 7 years	1	day	per month
8 - 14 years	1 1/2	days	per month
15 - 19 years	2	days	per month
20 + years	2 1/3	days	per month

Article B

Maximum not to exceed 50 vacation days.

Union:

Article A

Maintain present contract language.

Present language provides for:

0 - 5 years	1	day	per month
5 - 10 years	1 1/2	days	per month
10 - 15	2	days	per month
over 15 years	2 1/3	days	per month

Article B

"....accumulation shall not exceed more than three (3) years."

The comparables cited by the Township show the Unit has very generous vacation benefits. However, there is a large gap between what the employees are presently receiving and what the Township is offering.

I find the Township arguments very persuasive. However, the Township in proposing the change bears the burden of proving that its offer is sustained by the evidence.

I find the Township has not presented sufficient evidence to sustain a finding in its favor.

The present contract language shall be maintained.

LONGEVITY PAY

Township:

- A. Modify the provisions of Article XXI to read as follows:

It is further by and between the parties hereto that the employees in the Association as of the effective date of this contract shall receive as longevity pay a percentage of their annual salary as shown on the attached Schedule "A" and shall be entitled to a percentage increase based on the length of service in said Department as set forth in the following schedule:

(a) After six (6) years service- two percent (2%) of the base schedule as shown on Schedule "A" of the annual salary attached hereto.

(b) After ten (10) years service- four percent (4%) of the base schedule as shown on Schedule "A" of the annual salary attached hereto.

(c) After fifteen (15) years service- six percent (6%) of the base schedule as shown on Schedule "A" of the annual salary attached hereto.

(d) After twenty (20) years service- eight percent (8%) of the base schedule as shown on Schedule "A" of the annual salary attached hereto.

(e) After twenty-five (25) years service- ten percent (10%) of the base schedule as shown on Schedule "A" of the annual salary attached hereto.

(f) The longevity pay shall be paid proportionately over the regular twenty-six (26) pay periods.

- B. Add to the provisions of Article XXI, the following:

For employees hired in the department after the effective date of this agreement, the following longevity schedule will apply:

6 - 9 years	\$200.00
10 - 14 years	\$300.00
15 - 19 years	\$400.00
20 - 24 years	\$500.00
25 years or more	\$600.00

Union:

Maintain the status quo which currently provides:

6 - 9 years	2%
10 - 12 years	4%
13 - 15 years	6%
16 - 20 years	8%
21 + years	10%

The language of Article XXI shall remain as it currently appears in the Contract.

Add Section B to the contract:

For employees hired in the department after the effective date of this agreement, the following longevity schedule will apply:

6 - 9 years	\$200.00
10 - 14 years	\$300.00
15 - 19 years	\$400.00
20 - 24 years	\$500.00
25 years or more	\$600.00

STEP-INCREMENTS FOR PROBATIONARY EMPLOYEES - Act 78

Township:

Add to the provisions of Schedule "A" the following language:

Each employee promoted to the following ranks, during the first six (6) months thereof, shall receive fifty (50%) percent of the difference between his or her old base rate and the new base rate set forth, and thereafter, upon successful completion of said probationary period, shall be paid the total base amount set forth.

Union:

The Union would agree to a "ninety (90) day to full pay" step increment, one-half upon promotion, full pay at ninety (90) days.

A ninety (90) day probationary period is a more reasonable period than a six (6) month probationary period.

The proposed Union language is more reasonable than the Township language.

HOSPITALIZATION INSURANCE

Township:

The provisions of Article XXII, Section A shall be modified to read as follows:

The hospitalization program of Blue Cross and Blue Shield plans (semi-private including the officers' families), with a fifty (\$50.00) dollar deductible for each hospital admission to be paid by the employee, shall be provided and the premiums paid in full by the Township. It is the intention of the parties hereto to have the Township pay the total monthly premium for all eligible employees, including their spouse and children. The Township agrees to provide the prescription rider to the Blue Cross- Blue Shield plan with no prescription costing the employee more than two (\$2.00) dollars and Master Medical Option IV. The Township and Association agree that at any time alternative health insurance plans to Blue Cross- Blue Shield may be obtained in order to obtain less costly insurance as long as there is no substantial reduction in benefits. In the event of a dispute over whether such less costly insurance provides substantially the same benefits, the parties shall agree on a neutral third party to make such determination, which shall be binding on the parties.

Union:

Maintain present language.

The evidence is not sufficient to support the Township position of a change to a fifty (\$50.00) dollar deductible for each hospital admission.

I am convinced by the Township that it should be afforded flexibility in choosing the health insurance carried. I consider the language proposed by the Township to be too broad.

Since this is not an economic issue I am not bound by the language submitted by the parties.

"The Township and Association agree that alternative health insurance plans to Blue Cross - Blue Shield may be obtained in order to obtain less costly insurance as long as the benefits are equivalent. In the event of a dispute over whether such less costly insurance provides equivalent benefits, the parties shall agree on a neutral third party to make such determination, which shall be binding on the parties."

ROTATION OF SHIFTS

Township:

Modify the provisions of Article XIV, Section A to read either as:

Each employee shall rotate to a different shift once each three (3) months, with seniority having preference on each new shift to be worked.

or

Each employee shall rotate to a different shift once each month, with seniority having preference on each new shift to be worked.

Union:

Maintain the status quo.

The testimony of the Chief of Public Safety of Oak Park was not sufficient to convince me that the advantages are sufficient to change the present contract language.

A W A R D

MERC CASE NO. D81 J-2580

AWARD

WAGES - Article XVIII, Schedule A

5% was to become effective as of January 1, 1982 (+\$725)

2% was to become effective as of January 1, 1983 (+\$725)

5% was to become effective as of January 1, 1984 (+\$725
COLA roll-in)

Michael Somers: agrees

James F Schell: dissent

COST OF LIVING ALLOWANCE (COLA) - Article XXVIII and Letter of Understanding

The Union position is upheld with the addition of this language:

"The Charter Township of Waterford agrees to fold-in the 1984 COLA allowance of seven-hundred and twenty-five, \$725.00, into the 1984 base salary on December 31, 1984."

Michael Somers: agrees

James F Schell: dissent

PENSION

A. Health Insurance for Non-Duty Disability Retirants
Article XXII, (E) and (F)

Maintain present contract language.

Michael Somers: dissents

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James F Schell: agrees

B. Retirement Formula

Multiplier - Act 345

Maintain present contract language.

James F Schell: agrees
Michael Somers: dissents

SICK LEAVE PAY OFF UPON SEPARATION

Maintain present contract language.

Michael Somers: agrees
James F Schell: dissent

RANK STRUCTURE

There shall be three (3) ranks of supervision. Their titles shall be changed from the former:

Lieutenant to the present Staff Lieutenant

Sergeant to the present Lieutenant

Corporal to the present Sergeant

These changes in title, which are only in title, shall be made throughout the contract. No benefit shall be increased or decreased because of change in nomenclature.

No change in job duties will occur as a result of these changes in title.

These changes in title are also applicable to Detectives whose benefits shall not be increased or decreased because of change in nomenclature.

Michael Somers: agrees
James F Schell: dissent

REDUCTION IN RANK TO AVOID LAYOFF - Article XIII

Add the following language to Article XIII:

"In the event there is no conflict with the provisions of the collective bargaining agreement between the Charter Township of Waterford and Waterford Police Officers Association, and the Waterford Police Officers Association agrees in writing, an employee who is laid off may exercise his seniority, in order to avoid such layoff, to select a position in a lower rank, which will result in the reduction in rank or lay off of a less senior employee."

James J. Schell: agree
Michael Somers: dissents

TRANSFER ASSIGNMENTS - Article XIV, (E)

The last sentence of Section (E) should read:

"The decision of the Police Chief in the matter of transfer assignments which will exceed thirty (30) days shall be subject to the grievance procedure."

Michael Somers: agree
James J. Schell: dissent

OFF DUTY COURT TIME - Article XVII (B)

Article XVII, (B) should be changed so as to provide the minimum payment for court time to two (2) hours at time and one half. This change is retroactive to the effective date, January 1, 1982.

Michael Somers: dissents
James J. Schell: agree

VACATIONS - Article XX (A) and (B)

Maintain present contract language.

James F Schell: dissent
Michael Somero: agree

LONGEVITY PAY - Article XXI

Add Section B to the contract:

For Employees who become members of the bargaining unit after the effective date of this agreement, January 1, 1982, the following longevity schedule will apply.

6 - 9 years	\$200.00
10 - 14 years	\$300.00
15 - 19 years	\$400.00
20 - 24 years	\$500.00
25 years or more	\$600.00

James F Schell: agree
Michael Somero: dissent

STEP-INCREMENTS FOR PROBATIONARY EMPLOYEES - Act 78 - Schedule A

"ninety (90) day to full pay" step increment, one-half upon promotion, full pay at ninety (90) days.

James F Schell: dissent
Michael Somero: agree

HOSPITALIZATION INSURANCE - Article XXII - Section A

"The Township and Association agree that alternative health insurance plans to Blue Cross-Blue Shield may be obtained in order to obtain less costly insurance as long as the benefits are equivalent. In the event of a dispute over whether such less costly insurance provides equivalent benefits, the parties shall agree on a neutral third party to make such determination, which shall be binding on the parties."

Michael Somero: Dissents

James F. Schell: agree

ROTATION OF SHIFTS - Article XIV - Section A

Maintain present contract language.

Michael Somero: agree

James F. Schell: dissent

Shirley T. Schwimmer
Shirley T. Schwimmer
Chairperson

Michael P. Somero
Michael P. Somero
Union Panel Member

James F. Schell
James F. Schell
Township Panel Member