

859.

STATE OF MICHIGAN
COMPULSORY ARBITRATION

IN THE MATTER OF THE ARBITRATION
ARISING PURSUANT TO ACT 312, PUBLIC
ACTS OF 1969, AS AMENDED, BETWEEN:

CITY OF WYANDOTTE (Employer)

-and-

POLICE OFFICERS LABOR COUNCIL
(WYANDOTTE COMMAND OFFICERS) (Union)

MERC Case #D95 G-1078

STATE OF MICHIGAN
DEPARTMENT OF LABOR & INDUSTRY
BUREAU OF EMPLOYMENT
DIVISION OF CONCILIATION
AND MEDIATION
1000 EAST LANSING AVENUE
LANSING, MICHIGAN 48206

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FINDINGS OF FACT, OPINIONS AND ORDERS

APPEARANCES:

ARBITRATION PANEL:

Mario Chiesa
Impartial Chairperson

Steven H. Schwartz
Employer Delegate

Michael P. Somero
Union Delegate

FOR THE UNION:

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INTRODUCTION

This proceeding is a statutory compulsory arbitration
conducted pursuant to Act 312, Public Acts of 1969, as amended.

The petition was initially filed by the Union on August 30, 1996. I was notified via a correspondence dated September 13, 1996, that the parties selected me to serve as the impartial arbitrator and chairperson of the arbitration panel. The parties waived all statutory and regulatory time limits. They did this both in writing, which was forwarded to MERC and also memorialized in a pre-arbitration statement, and then verbally again on the record.

A pre-arbitration conference was conducted on October 2, 1996. The hearing commenced on January 9, 1997, continued on February 10, 1997, and was concluded on April 16, 1997.

The parties exchanged their last offers of settlement through my office on May 19, 1997. The briefs were exchanged through my office on July 18, 1997. An extensive executive session was conducted on August 28, 1997. These findings of fact, opinions and orders followed as soon as possible.

STATUTORY SUMMARY

Act 312 is an extensive piece of legislation outlining both procedural and substantive aspects of interest compulsory arbitration. Without exploring every provision, but certainly ignoring none, there are aspects of the statute which should be highlighted.

For instance, Section 9 outlines a set of factors which a panel shall base its findings, opinions and orders upon. Those factors read as follows:

- "(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 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."

This statute also provides that a majority decision of the panel, if supported by competent, material and substantial evidence on the whole record, will be final and binding. Furthermore, Section 8 provides that the economic issues be identified. Parties are required to submit a "last offer of settlement" which typically is referred to as "last best offer" on each economic issue. As to the economic issues, the arbitration panel must adopt the last

offer of settlement which, in its opinion, more nearly complies with the applicable factors prescribed in Section 9.

Section 10 of the statute establishes, inter alia, that increases in rates of compensation or other benefits may be awarded retroactively to the commencement of any period or periods in dispute.

ISSUES AND STIPULATIONS

The issues which are resolved in this findings of fact, opinions and orders are the ones which survived after the parties engaged in collective bargaining and withdrew issues prior to or at the time last offers of settlement were submitted. The parties have agreed that the entire award will be comprised of the stipulations contained herein, the resolutions regarding the outstanding issues and the language of the prior Collective Bargaining Agreement which has not been deleted or altered by any of the foregoing.

One of the issues the parties did resolve was the duration of the contract. They agreed the contract would have a four-year term commencing on February 1, 1996 and running through January 31, 2000. The parties agreed that pension issues could be re-opened in the fourth year of the contract at the request of the Union and that 312 arbitration could be utilized if the issues could not be resolved. The parties also agreed that any wage adjustment would be retroactive to February 1, 1996, but no other economic award would be retroactive prior to the date of the arbitration panel's award. It was recognized that Collective Bargaining Agreements for

the internal comparables could be submitted prior to the issuance of this resolution. It was also related that the last offers of settlement on economic issues represent the actual contract language to be inserted into the Collective Bargaining Agreement if the offer is adopted.

There are several outstanding issues which will be resolved by this arbitration. The following are the economic issues: The first concerns wages and each year of the contract is considered a separate issues. There are pension issues, including the constituents of the FAC; the 25% increase limit regarding vacations and sick leave; increase in the multiplier; increase in the cap on maximum benefits; and a question of employees contributing 6% to the pension fund. In addition, there are issues concerning the inclusion of pap smear/mammogram in the health care package; active employee health care coverage; and what is known as free-standing dental and vision. Life insurance is an issue, as is the accrual of sick/vacation time and LTD. All of the foregoing are economic issues. The non-economic issues are shift assignments and disability retirement.

The above is just a general characterization of the issues and it is noted that each party's final offers of settlement on each issue are attached hereto and made a part hereof.

WYANDOTTE

The City of Wyandotte is a downriver community with a 1990 population of 30,938. That is 3,068 less than its 1980 population of 34,006 and 10,123 less than its 1970 population of 41,061. To

state it in another fashion, there was a 24.65% loss of population between 1970 and 1990. According to the 1990 census, of 12,880 households the largest percentage, 20.7% or 2,663 households, had household incomes of \$25,000 to \$34,999. To state in another fashion, only 14.3% of the households had household incomes above \$35,000, while the remaining 85.7% had household incomes under \$35,000.

Approximately 72% of the residential units are single family, while 27% are multi-family. Mobile family residents are just over 1%.

The police department is comprised of 47 sworn personnel and 13 civilians. The command officers' bargaining unit consists of 18 sworn officers. There are 6 lieutenants and 12 sergeants. The patrol unit consists of 27 officers and there are 6 civilian clerks and dispatchers. The department is comprised of the uniform division, traffic division, detective bureau and records bureau. There are 6 uniform sergeants and 4 uniform lieutenants.

The traffic bureau is comprised of two patrol officers, one sergeant and one lieutenant. The lieutenant supervises both the traffic and the records bureau. The detective bureau is comprised of six sergeants and one lieutenant.

The patrol unit is comprised of three platoons, with six patrol officers per platoon.

At the top of the management hierarchy is the police and fire commission. Second is the chief, then the deputy chief, and then the descending orders through lieutenants, sergeants, etc.

The 1994 uniform crime report shows the number of criminal offenses in Wyandotte to be 2,139. This averages out to be about 45.5 offenses per officer. Wyandotte is a member of the Downriver Mutual Aid Pact.

COMPARABLES

In Act 312 compulsory arbitrations parties typically, and this case is no exception, spend a considerable amount of time presenting evidence and making arguments regarding paragraph (d) of Section 9 of the statute. That portion of the statute involves comparison of the wages, hours and conditions of employment of employees involved in the arbitration, with the wages, hours and conditions of employment of employees performing similar services, and with employees generally in both public employment in comparable communities and in private employment in comparable communities. The statute doesn't specifically outline how such comparable communities shall be determined. However, some of the elements analyzed are geographic size, population, SEV, demographics, taxing schemes, etc.

In most cases, as in this one, the parties usually agree on a few comparables. In this case there is no dispute regarding the communities of Allen Park, Lincoln Park, Southgate and Trenton. As a result, I will consider those four communities comparable to Wyandotte for the purposes of this arbitration. In addition, the Union argues that Eastpointe, Ferndale and Wayne should be considered comparable to Wyandotte for the purposes of this arbitration. The Employer maintains that in addition to Allen

Park, Lincoln Park, Southgate and Trenton, the remaining downriver communities which are part of the Downriver Mutual Aid Pact should be considered comparable to Wyandotte for the purposes of this arbitration. Those communities are: Brownstown Township, Ecorse, Flat Rock, Gibraltar, Grosse Ile, Melvindale, River Rouge, Riverview, Rockwood, Romulus, Taylor and Woodhaven.

In analyzing the evidence regarding Eastpointe and Wayne, it is noted that Eastpointe has a population of 35,283, with an SEV of \$506,561,829. Ferndale has a population of 25,084 and an SEV of \$366,088,650. Wayne has a population of 19,899 and an SEV of \$382,140,960. This is compared to Wyandotte's population of 30,938 and an SEV of \$472,984,250. It is noted, however, as pointed out by the Employer, that Eastpointe and Ferndale are not in Wayne County. The testimony establishes that Wayne, Eastpointe and Ferndale range anywhere from 18 to 25 miles from the City of Wyandotte.

The record shows that in a 1991 312 arbitration involving the patrol unit it was agreed that the Mutual Aid communities would be considered comparable to the City of Wyandotte. In a 1994 arbitration between the patrol officers in the City of Wyandotte the Union took the position that Allen Park, Brownstown Township, Lincoln Park, Riverview, Romulus, Southgate and Trenton were comparable to Wyandotte. In a 1994 arbitration decision involving the patrol officers Arbitrator Glazer made the finding that the entire group of Mutual Aid Pact cities has been utilized by the parties in their negotiations and in 312 arbitrations and there was

nothing to suggest the deletion of any of the cities as comparables. He indicated that all of them would be considered, but suggested that the weight afforded each could vary.

Obviously the comparables offered by the Employer have the geographic trait of being very close to Wyandotte. For instance, Ecorse is on the northern boundary, Lincoln Park for a portion of the northwest boundary, Southgate to the west, and Riverview to the south. Upon request, Wyandotte officers back up officers in other departments.

The population of the communities offered by the Employer range from 3,141 for Rockwood to 22,897 for Romulus. It is interesting to note that Lincoln Park has a population of 41,832, Allen Park 31,092, Southgate 30,771 and Trenton 20,586. It is noted that those communities were agreed by the parties to be comparable to Wyandotte for the purposes of this arbitration.

Of course, the question is: What does the evidence establish and which communities should be considered comparable to Wyandotte for the purposes of this arbitration? It must be understood that, as indicated by Arbitrator Glazer, there may be different weights applied to the data regarding a particular community, so essentially the information relating to certain communities would have greater persuasive power and information than from others.

For instance, it is clear that the parties agree that Allen Park, Lincoln Park, Southgate and Trenton are comparable to Wyandotte for the purposes of this arbitration. In the higher

hierarchy of persuasive power, the data from these communities should rank the highest.

Secondly, it is impossible to ignore the historical significance placed on the communities offered by the Employer by preceding arbitrators and negotiating practices. When this is supplemented by the geographical location of the communities, along with their interaction and other similarities, although some communities are more similar to Wyandotte than others, it is reasonable to conclude that these communities, i.e., Brownstown Township, Ecorse, Flat Rock, Gibraltar, Grosse Ile, Melvindale, River Rouge, Riverview, Rockwood, Romulus, Taylor and Woodhaven, would rank fairly high and the evidence regarding wages, hours and conditions of employment in those communities would have substantial probative value.

Frankly, given the geographic remoteness of the communities offered by the Union, i.e., Eastpointe, Ferndale and Wayne, it would be reasonable to conclude that the evidence regarding wages, hours and conditions of employment existing in those communities would be about third in the hierarchy of probative value.

So while not rejecting any of the communities, it is clear that there must be a recognition of the probative value of the evidence provided each community and, thus, the division outlined above will be applied.

ABILITY TO PAY

Paragraph (c) of Section 9 relates that the factors utilized by the arbitration panel must include the interests and welfare of

the public and the "financial ability of the unit of government to meet those costs." In this case the Employer has taken the position that its ability to pay is severely hampered by several financial considerations.

Focusing on the general fund, which of course involves the operations of the public safety portion of the government, the evidence establishes that in 1995 the highest revenue source was from property taxes. Property taxes supplied approximately 39% of the total revenue of about \$12,480,000. State sources, including sales tax, income tax, single business tax, provided about 28%. Charges for services was about 11%, fines and forfeitures about 3%, and other sources providing about 19% of revenue.

On the general fund expenditure side for 1995 the total expenditures were about \$12,266,000. Forty-two percent of this was utilized by public safety, 24% by public works, 20% by general government and 7% each for recreation and cultural and other.

One of the yardsticks for measuring the health of a community's general fund is the general fund balance existing at fiscal year end. The history in Wyandotte shows that in 1992 that fund balance was about \$490,000. This was reduced to about \$166,000 in 1993, which was further reduced to a deficit of about \$125,000 in 1994. This figure was increased to about \$89,000 in 1995.

It must be noted that currently the City of Wyandotte has a total property tax levy of 20.54 mills. Even though the city charter sets the maximum operating millage at 12.5, this has been

rolled back for 1996, pursuant to the Headlee Amendment, to 10.93. Refuse collection has been rolled back to 2.62 mills. Levy for outstanding debt is 1.17 mills; 3.95 mills for drains, and 1.85 mills for the Downtown Development Authority. The millage rate cannot be changed, except by a vote of the people.

The evidence shows that out of the comparable communities provided by the City, Wyandotte levies at a rate which is the 6th highest out of the 17 communities. In this regard the evidence also establishes that Wyandotte ranks as the 14th lowest in tax value per capita. This figure is arrived at by dividing the population figure of 30,938 into the 1996 taxable value of \$451,655,958.

Of course, Proposal A which was passed in 1994, bases increases on a property-by-property basis as opposed to overall increases, with the limit being 5% or the rate of inflation, whichever is lower.

There is also another very significant aspect relating to the City's financial environment. There was a separate entity created called the Tax Incremental Financing Authority, TIFA, which requires the City to pay off bonds which were used for urban realization projects. About two-thirds, or approximately 60% of the real and personal property in the City of Wyandotte, are included in the TIFA arrangement. In very general terms the TIFA provides that the millage on any increase in value goes to the TIFA district. In other words, while the City receives taxes on the base value, the taxes generated by any increase in value must go to

the TIFA. TIFA funds cannot be used for general fund activity and the bonds being retired should be repaid by 2010.

There is little to be optimistic about regarding revenue from state sources. The revenues involved, i.e., sales tax, income tax, and single business tax, are based on population, so as the population in a community changes, so will the state shared revenues. Furthermore, the only revenue guaranteed to be distributed back to the cities is that generated from sales tax. Given the trend of declining population in Wyandotte, it would not be prudent to anticipate increased state shared revenues based upon population growth.

About 71% of general fund expenditures are allocated to payroll and fringe benefits. In this regard the data shows that since January of 1991 a number of positions have been left vacant. These include six DPW laborer positions, fire inspector positions, assistant fire chief, two police lieutenants, director of museum and marketing, assistant to the finance director, director of the Yak Arena and the director of administrative services. The savings based on salary at retirement was over a half million dollars annually.

There is additional evidence contained in the record which could be displayed at this point, but understanding that all of it has been carefully and painstakingly analyzed, it is clear that the City of Wyandotte is suffering financial stress. Given the language in the statute, the Employer's ability to pay is an integral part of the analysis, so the City's financial condition must be

carefully weighed in determining which last offers of settlement should be adopted.

WAGES

As indicated, the last offers of settlement have been attached, but in general it is important to understand that the only real dispute in this area, even though wages are considered a year-by-year issue, concerns the first year of the contract. Currently sergeants receive a differential which is 14% above patrol. Lieutenants receive 10% above sergeants. According to the evidence, the lieutenants' 10% differential goes back to 1990, while the 14% sergeants' differential goes back to 1992. I note that in 1993 the unit incurred a wage freeze.

While the last offers of settlement have been attached and made a part hereof, as noted, the only disagreement between the parties involves the first year of the contract. For the remaining years the parties have agreed that sergeants will receive 14% more than patrol, and lieutenants 10% more than sergeants.

However, in the first year of the contract the City's offer provides for a 2% across-the-board increase. This would raise a top paid sergeant's salary to approximately \$45,275. A top paid lieutenant would receive \$49,794. The Union's last offer of settlement is to utilize the 14% and 10% differentials in the first year of the contract. In other words, their offer would require the differentials be maintained throughout the life of the agreement. This would result in a top paid sergeant receiving approximately \$45,499 in the first year, with a top paid lieutenant

receiving approximately \$50,049 in the first year. This works out to about a 2 1/2% increase.

Currently a top paid sergeant is receiving approximately \$44,387, while a top paid lieutenant is receiving approximately \$48,828.

The City argues that applying the factors in Section 9 of the Act must lead to the conclusion that its last offer of settlement is more acceptable than the Union's. Of course, the Union takes the opposite position and argues that its last offer of settlement is more acceptable.

As I said, we must keep in mind that the sum total difference between the two offers is only in the first year of the contract and amounts to about 1/2% or a difference of \$224 for a top paid sergeant and \$255 for a top paid lieutenant.

The evidence regarding the settlements involving the other units in the City for the period 2/1/96 to 1/31/97 show that each of them received a 2% increase in base wages, with the exception of the patrol unit which received 2.5%. I also note from the evidence that free-standing dental and vision was eliminated in the patrol unit and the patrol unit also realized a change in health care coverage.

As was previously pointed out, it is clear that historically for several years the differential between sergeants and patrol was 14%, with 10% being the differential between lieutenants and sergeants. Acceptance of the City's last offer would change this balance for the first year, although it would be reinstituted in

the remaining years of the contract, while acceptance of the Union's last offer of settlement would continue the differentials as historically realized.

Given the fact that the actual dollar differences between the two offers is extremely small and there is a return to the historical differential after the first year, the evidence regarding the wages in the comparable communities establishes that acceptance of either last offer of settlement would still place Wyandotte in a position that wouldn't be a drastic departure from historical relationships.

Furthermore, the same could be said when looking at the total compensation packages available to members of this unit. The acceptance of either last offer of settlement would not distort the relationships.

After carefully considering the entire record and applying the factors in Section 9, it is the panel's decision that the Union's last offer of settlement should be adopted. It continues the historical wage differential which has existed for several years, does not do violence to any of the comparable community relationships, nor is it drastically out of tune with the internal settlements. Furthermore, there are other economic areas which still need to be dealt with in this decision. Also, given the difference between the offers, the City's financial situation, even if it is "tenuous," as suggested by the City, will not be jeopardized by adoption of the Union's position.

I also note that the parties have agreed there will be retroactivity of the wage award.

AWARD

The panel adopts the Union's last offer of settlement.

Mario Chiesa 10-23-97
Mario Chiesa

Neutral Chairperson

Michael F. Demaree
Union Delegate

151 dissent
Employer Delegate

PENSION

The pension system in the City of Wyandotte is rather complex and there are elements which are unique to the City.

Currently the pension multiplier for employees in the command unit who were hired before 1982 is 2.5% for the first 25 years of service, and then 1% after 25 years. The multiplier for individuals hired after 1982 is 1.75% for the first 25 years, and then 1% after 25 years. The computation of final average compensation is unusual when compared to other Michigan communities because it utilizes only a one-year period. Final average compensation includes base rate, holiday pay, accrued sick leave and vacation up to 25% and longevity pay. There is also a percentage cap placed on benefits. The gross figure for pre-1982 employees is 70%, while post-1982 employees are limited to 60%. There is also what is known as a hypothetical annuity withdrawal. This arose when, back in 1982, a change was negotiated eliminating

I also note that the parties have agreed there will be retroactivity of the wage award.

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Mario Chiesa - 10-23-97
Mario Chiesa
Neutral Chairperson

151
Union Delegate

DISSENT - [Signature] H. [Signature]
Employer Delegate

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any employee contribution. At that point the employees who had made contributions were reimbursed the amount of the contribution plus interest. That so-called hypothetical annuity is utilized as a factor in determining pension benefits for individuals who were hired prior to 1982. Additionally, the current plan does not require any employee contribution.

While not formally part of the plan, the evidence does establish that for the last several years the Employer has issued what is known as a "13-month check" to retirees. This additional disbursement acts as a cost-of-living adjustment.

Also unique to the plan is the inclusion of several million dollars into a special endowment fund which resulted from the sale of Wyandotte General Hospital. Those funds, both interest and lately principal, are utilized to make the contribution which would otherwise have been made by the general fund. The evidence also shows that of the downriver communities Wyandotte has the second highest contribution rate standing at 27.55%.

The Employer seeks a continuation of the status quo, while the Union seeks several changes. While, as I have indicated, the Union's last offer of settlement is attached, in general terms the Union describes its proposed modifications as: (1) include all W-2 items in final average compensation; (2) remove the 25% increase limit on FAC when paid for vacations and sick leave; (3) increase the multiplier to 2.8% for all command officers; and (4) increase the maximum benefit to 75%. I note that the Union also characterizes its increase in multiplier at one point to apply

only to members currently at the 2.5% level. I construe the record to mean that the request applies to everyone. Also, the language proposed by the Union does mention the elimination of the reduction for the hypothetical accumulated contributions, although it is not specifically mentioned in the modifications referenced in its brief. Additionally, the language proposed by the Union provides that command officers shall have a pension contribution rate of 6%.

I also note that the Union characterized each issue in this area as being independent of each other. For instance, the panel could choose to adopt the multiplier increase and reject the remaining proposals. It is a little vague, however, how that squares with the Union's position that the employees will begin on the date of the arbitration award to contribute 6% of the pension plan. This would make sense only if all of the Union's positions were adopted.

The record establishes that both the police officers' patrol and the fire units have the same multiplier provisions as the current command. The evidence also shows that none of the comparables offered by the Employer, or for that matter none offered by the Union, provide for a 2.8% multiplier. The highest is 2.5%. The percentage increase in cost to increase the 2.5% multiplier to 2.8% and increase the 1.75 multiplier to 2.05% is 4.37% of payroll. Of course, the actual cost will be a little higher because the .75% would be raised to 2.8% if the Union's position were adopted. This increase is an increase in annual contribution.

Elimination of the hypothetical annuity would increase annual contribution about 11.5% of command payroll.

When dealing with the percentage cap, it is noted that the current command contract, along with the patrol and fire units, have a 70% cap for pre-1982 hires and a 60% cap for post-1982 hires. Dispatchers, AFSCME and non-union personnel have 70% for pre-1982 and a 50% cap for post-1982. It is noted that the percent cap could be considered to be somewhat less than 70%, or for that matter, 75% if the hypothetical annuity reduction is considered. However, the evidence also shows that every command officer who has retired since 1991 has received a pension of more than 70% because of the increase in the FAC from the sale of the accumulated sick and vacation time. It is also noted that caps are very common in the comparable communities and, indeed, from the Union's exhibit there are caps of 70% or under in Southgate, Lincoln Park and Eastpointe. There seems to be some discrepancy because the Employer's data shows there is no cap in Southgate.

In relation to the question of including all W-2 items into final average compensation, it is noted that within Wyandotte the command, patrol and fire units have the same provisions which include base wage, holiday pay, longevity pay and accrued sick leave and vacation up to 25%. Those provisions are the same for dispatchers, AFSCME and non-union, except that holiday pay is deleted. Looking at the data provided by the Union, it is clear that there are varying formulas with, for instance, Lincoln Park, including longevity, gun allowance and holiday pay, while

Eastpointe provides overtime, longevity pay in lieu of holidays/vacations. Utilizing the Employer's data, I note that it is quite common for overtime to be included and it is not in Wyandotte.

There is also the question of removing the 25 cent cap regarding sick/vacation lump sum payments included in final average compensation. To begin with, at most there are only six out of the communities provided by the Employer that provide any type of lump sum vacation recognition, while there are only five providing any type of lump sum sick pay recognition in FAC. This includes Wyandotte. Furthermore, the cost of this benefit is 2.9%. Utilizing the data provided by the Union, I note that in Allen Park the lump sum payment for up to 10 vacation days can be included in final average compensation, while in Eastpointe if one is hired before 7/1/82 there is an inclusion of sick and vacation lump sum pay-outs. There is none in Ferndale, Lincoln Park and, if hired subsequent to 1/1/81, 200 sick days are the limit for Southgate. Trenton allows vacation, Wayne sick and vacation with a 60-day max.

As I indicated, Wyandotte does not require employee contributions, while out of the comparable communities offered by the Employer, only Ecorse, Grosse Ile and Melvindale follow suit. All the rest, including the stipulated communities, require employee contributions.

As indicated above, Wyandotte does pay a 13th pension check which acts as a cost-of-living adjustment. This is not a formal

part of the plan, but has been the practice for about the last decade.

After carefully analyzing the evidence and reviewing the factors in Section 9, it is apparent that whether the Union's proposed modifications are considered singularly or as one issue, they cannot at this time be adopted.

While the pension plan seems to be in fairly good shape, the changes requested by the Union would incur substantial cost for the total package and, of course, lesser costs on an incremental basis, but nonetheless, their adoption is not warranted by an examination of the totality of the record.

It is noted that there is a reopener in the last year of this contract and the parties can then revisit the pension issues if the Union so decides.

AWARD

The Employer's last offer of settlement on each and every pension issue is adopted. The status quo shall continue.

Mario Chiesa 10-23-97
Mario Chiesa
Neutral Chairperson

Michael P. Torment (DISSENT)
Union Delegate

151
Employer Delegate

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Mario Chiesa 10-23-97
Mario Chiesa
Neutral Chairperson

1st Person
Union Delegate

Arthur H. Schumacher
Employer Delegate

ACCEPT AS TO EACH
PENSION ISSUE

HEALTH INSURANCE ISSUES - ACTIVE EMPLOYEES

There are two issues in this portion of the dispute. The first involves the Union's proposal to add coverage for pap smears and mammograms to the current coverage, while the second is the Employer's proposal to change the current coverage to coincide with the coverage presently enjoyed by patrol officers. This is a comprehensive change which is clearly outlined in the Employer's last offer of settlement. The summary offered in the City's brief is that it will provide 100% of the premiums for either the Blue Cross/Blue Shield Point of Service Plan or Blue Care Network. The employees may elect either of the PPO Plans if they pay 50% of the incremental costs in the monthly premium. Employees who make this selection may reduce the actual cost designating this premium sharing as a pre-income tax, thus lowering the amount of gross income they will be taxed on.

The Union points out that coverage for pap smears and mammograms is almost universal, as least when its comparables and the stipulated comparables are considered. The Employer points out that no employee in the internal comparables has these benefits, with the exception of the patrol officers who have the PSO coverage which is a component of the Employer's last offer of settlement.

The evidence establishes that the cost of the Union's proposal regarding mammograms and pap smears is extremely minor and if expanded to every employee in the City, would be about \$2,610.

Keying in on the Employer's proposed change in the health coverage, I note that the comparable communities have coverage which is all over the horizon and it is difficult to reach any sound conclusion. The other bargaining units and non-union groups in the City do not have the type of coverage now sought by the City for the command unit, with of course the exception of the patrol unit, which has the Point of Service coverage. The City's last offer of settlement is unique in the sense that it provides the command officers with the option of selecting either the Point of Service Plan or the Blue Care Network at the City's expense, or the choice of selecting the community Blue PPO or the traditional PPO Plan. According to the evidence, if an employee chooses either of the two PPO Plans, the cost of coverage would not be substantial, being about \$200 to \$250 per year per the Employer's proofs, and under Section 125 Cafeteria Plan, could be designated as "non-income," thus lowering an employee's taxable income.

The Union suggests that the Employer's last offer should be rejected because it was never negotiated. However, I do note that the issue is listed on the petition, and there is no specific information that I am aware of in the record which would prohibit adoption of the offer based on failure to negotiate or meet other standards in the statute.

After carefully analyzing all of the evidence, the panel adopts the Employer's last offer of settlement. The coverage is essentially greater than that offered and elected by the patrol unit and indeed allows command officers a substantial choice of

options. The slight contributions necessary for a community PPO or a traditional PPO are indeed borne by the employee, but the evidence does not establish that the cost would be prohibitive.

The plans offer varying benefits, although according to the testimony, the Point of Service Plan offers the lowest costs. It allows choice of physicians without the network, but of course if no network providers are utilized, there is a deductible and a co-pay.

Considering the coverage available and the small cost an employee must absorb to secure either of the two PPO Plans, as well as the costs savings enjoyed by the City, it is clear that the Employer's last offer of settlement must be adopted.

AWARD

The Employer's last offer of settlement regarding active employee health care shall be adopted.

Mario Chiesa 10-23-97
Mario Chiesa
Neutral Chairperson

Michael P. Sorrento (Orsento)
Union Delegate

ISI
Employer Delegate

This leaves the Union's request to have mammograms and pap smears covered. From examining the evidence, it appears that these items are contained in coverage offered by the Point of Service Plans, the community Blue PPO, and perhaps the Blue Care Plan. The traditional Blue PPO does not cover pap smears and mammograms.

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Mario Chiesa 10-23-97
Mario Chiesa
Neutral Chairperson

Union Delegate

[Signature] - ACCEPT
Employer Delegate

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Given the above, it seems that it would be almost redundant to order that the City provide mammogram and pap smear coverage to what the Union anticipated would be its current health care plan. Certainly pap smears and mammograms should be covered, for early detection of the disease they are designed to uncover is extremely important. If this offer is construed as providing pap smear and mammogram coverage regardless of which of the health care plans is selected from the above, then it would be adopted. However, given the context in which the offer exists, and the fact that it was presented in light of the current active health care continuing the status quo, at this point there is really no alternative but to deny the Union's last offer of settlement because it just doesn't fit the scenario established by adoption of the City's last offer of settlement regarding health care coverage.

AWARD

The Employer's position regarding coverage of pap smears and mammograms is adopted.

Mario Chiesa 10-23-97
Mario Chiesa
Neutral Chairperson

Michael P. Lomax (Dissent)
Union Delegate

/s/
Employer Delegate

DENTAL AND VISION

The issue in question in this area is the economic issue relating to the so-called free-standing dental and vision coverage. As with all the issues the last offers of settlement have been

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Mario Chiesa 10-23-97
Mario Chiesa
Neutral Chairperson

151 dissent
Union Delegate

[Signature] - ACCEPT
Employer Delegate

DENTAL AND VISION

The issue in question in this area is the economic issue relating to the so-called free-standing dental and vision coverage. As with all the issues the last offers of settlement have been

attached, but in general terms the Employer's position provides that employees who opt out of the City's health insurance program, but whose spouse does not have dental or vision insurance, will continue to receive dental or vision insurance. These employees will continue to receive \$125 per month. It goes on, however, to establish that employees who opt out of the City's health insurance coverage, but whose spouse receives dental and vision, may not receive free-standing dental and vision coverage and will receive an additional \$10 per month. The Union's position is to maintain the status quo. It argues that members of the unit should have unqualified access to benefits.

It is clear from the evidence that the patrol unit has agreed to a similar, if not identical, modification. Given the Union's basis for opposition, the potential costs savings and the fact the command officers can still make choices regarding their dental or vision coverage, the evidence convincingly establishes that the Employer's last offer of settlement should be adopted.

AWARD

The Employer's last offer of settlement shall be adopted.

Mario Chiesa 10-23-97
Mario Chiesa

Neutral Chairperson

Michael P. Romero (Dissent)
Union Delegate

/s/
Employer Delegate

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AWARD

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Mario Chiesa 10-23-97
Mario Chiesa
Neutral Chairperson

(S) dissent
Union Delegate

[Signature] - ACCEPT
Employer Delegate

LIFE INSURANCE

Currently command officers are covered by \$30,000 of life insurance, along with \$30,000 AD&D. Regarding this economic issue, the Union seeks to increase the \$30,000 to \$50,000, with \$50,000 AD&D. The Employer is offering \$40,000 with \$40,000 AD&D, but has delayed the effective date for coverage to February 1, 1999.

Looking at the comparables offered by the Union, and the agreed-to comparables, the average life insurance coverage for sergeants is \$39,286, while for lieutenants it is \$40,286. Clearly by this standard the Employer's last offer of settlement is more acceptable.

It is noted, however, that the Employer's offer would not place the increase into effect until February 1, 1999. After considering all of the factors applicable to this issue, it is clear that the Employer's last offer of settlement should be accepted.

AWARD

The Employer's last offer of settlement shall be adopted.

Mario Chiesa 10-27-97
Mario Chiesa
Neutral Chairperson

Michael P. Forness (Dissent)
Union Delegate

151
Employer Delegate

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AWARD

The Employer's last offer of settlement shall be adopted.

Mario Chiesa 10-23-97
Mario Chiesa
Neutral Chairperson

Isi dissent
Union Delegate

[Signature] - ACCEPT
Employer Delegate

LONG TERM DISABILITY

Regarding this economic issue the Union seeks a continuation of the status quo, while the Employer's last offer of settlement would provide certain changes. As with all the issues, the last offers of settlement are attached, but in general, adoption of the Employer's last offer would mean that six months after the effective date of the award employees would be able to purchase additional LTD coverage to 60%, 66 2/3% or 70% of base salary. However, if no bargaining unit employee has elected to purchase the 70% option for one year after the effective date of the award, the City may just continue the option.

The Union's position is that the 70% option should be maintained for the term of the contract and available at any time.

The evidence establishes that the 70% option eliminates a number of insurance vendors because most companies will not write policies at a 70% level. The evidence shows that a 66 2/3% level is much more common.

The evidence also establishes that when compared to the communities the parties consider comparable, as well as those offered by the Employer, the current status of the benefit in Wyandotte far exceeds the general availability and level of the benefit in the comparable communities.

Frankly, there doesn't seem to be any sense to continue the administration of the benefit as it is now structured because the need to maintain the 70% option severely limits the bidding carriers which increase costs without a concurrent increase in

benefit. Adoption of the Employer's last offer of settlement is not only reasonable, but mandated by the evidence.

AWARD

The Employer's last offer of settlement regarding the long-term disability insurance shall be adopted.

Mario Chiesa 10-23-97
Mario Chiesa
Neutral Chairperson

Michael P. Aronow (DISSENT)
Union Delegate

151
Employer Delegate

DISABILITY RETIREMENT - CITY PHYSICIAN LANGUAGE

This is a non-economic issue. In general terms the current process begins when a doctor of a bargaining unit member certifies that he/she is eligible for disability retirement. At that point the medical director, who apparently is a physician appointed by the Pension Commission, examines the records and the employee, and issues a decision. If there is no dispute between the two doctors' decisions, the employee is granted a disability retirement. If there is a disagreement, then a third doctor is selected by the Union and the City, and issues a final determination which is binding.

The Union seeks a continuation of the status quo, while the Employer's offer would change the procedure so that in the second step the doctor would be appointed by City administration, rather than the Pension Commission. The testimony suggests that the

benefit. Adoption of the Employer's last offer of settlement is not only reasonable, but mandated by the evidence.

AWARD

The Employer's last offer of settlement regarding the long-term disability insurance shall be adopted.

Mario Chiesa 10-23-97
Mario Chiesa
Neutral Chairperson

151 dissent
Union Delegate

[Signature] - 10-23-97
Employer Delegate

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The Union seeks a continuation of the status quo, while the Employer's offer would change the procedure so that in the second step the doctor would be appointed by City administration, rather than the Pension Commission. The testimony suggests that the

Employer is requesting to do so, so it has the ability to select a specialist if necessary, depending on the nature of the claimed disability. So, in essence, the only change is that the doctor selected at the second step is not selected by the Pension Commission, but selected by the City.

The Union argues that if it is not broken, don't fix it. However, the evidence does establish that every other bargaining unit has agreed to the change and the non-union employees have had their procedure altered in the same fashion.

The Union further argues that the medical director is a much more objective person in the process than the City's "hand-picked physician." The record contains the allegation, but there is little evidence to support it.

Given the nature of the issue, it is not unreasonable to conclude that uniformity between all the bargaining units and the non-union employees is a fairly convincing element. As indicated, every other bargaining unit, as well as the non-union employees, are operating under the system now proposed by the Employer. That's pretty convincing.

AWARD

The Employer's language regarding substituting a physician selected by the City in the second step of the process shall be adopted.

Mario Chiesa 10-23-97
Mario Chiesa

Neutral Chairperson

Michael P. D'Amore (Dissent)
Union Delegate

151
Employer Delegate

SICK LEAVE ACCRUAL/VACATION ACCRUAL

While these economic issues are listed separately, the changes sought by the Employer are identical, so it would be appropriate to discuss them both at one time. Currently sick leave accrues at the rate of one day per month. The accrual continues whether an employee is actively working or not. Vacation leave accrues at a given rate related to years of service and, again, accrues whether an employee is absent due to a leave of absence.

The Union requests the status quo for both benefits, while the Employer suggests that for sick leave an employee with a work-related injury would stop accruing sick leave after 100 working days if the employee elected not to use accumulated comp time, sick leave or vacation to supplement his worker's comp, and for all other sick leave would cease to accrue in the month in which the

AWARD

The Employer's language regarding substituting a physician selected by the City in the second step of the process shall be adopted.

Mario Chiesa 10-23-97
Mario Chiesa
Neutral Chairperson

ISI dissent
Union Delegate

[Signature] - ACCEPT
Employer Delegate

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employee performs no work for the City. The Employer seeks the same change for vacation accrual.

The evidence shows that in relation to sick leave accrual the AFSCME contract prohibits accrual of sick leave if an employee is absent for at least 11 workdays in a month. For non-union employees sick leave and vacation cease to accrue when an employee takes a leave of absence. The Employer points out that since worker's comp is 70% of base, an employee will only need to use 30% of accumulated vacation time, sick time or comp time to receive a full eight hours' day pay and to continue to accrue more sick leave. The evidence shows that some downriver communities have placed limits on sick leave accrual when officers do not work. However, the evidence does not show by any means that this is the prevailing practice in the comparables.

In relation to vacation accrual, some of the comparable communities restrict the accrual of vacation.

Nonetheless, of the comparable communities offered by the Employer, along with those agreed to by the parties, at least half of them have no language whatsoever.

Certainly one can understand the Employer's logic in proposing the changes it has in the accrual of sick leave and vacation. However, we cannot lose sight of the fact that the status quo would have to be changed to implement the Employer's actions and, frankly, there is little evidence to support that change. There is nothing suggesting how much expense, if any, the Employer would realize by the changes and there is no question that the data

regarding the comparable communities, including the so-called internal comparables, does not clearly support the Employer's position.

So, as I indicated, even though the Employer's position makes sense, there is just not enough evidence to warrant changing the status quo at this time.

AWARD

The Union's last offer of settlement shall be accepted regarding the issue of sick leave accrual/vacation accrual and, thus, the status quo shall continue.

Mario Chiesa 10-23-97
Mario Chiesa
Neutral Chairperson
Michael P. Fornero
Union Delegate
ISI dissent
Employer Delegate

SHIFT ASSIGNMENTS

This is a non-economic issue. Currently the command officers are utilizing the four platoon system consisting of a 28-day rotation. There are three shifts, but with days off it works out to a seven-day rotation. The Employer has submitted an offer seeking to extensively change the system. While the changes would allow selection of shifts on a 6 1/2, 28-day cycle, it works out to six months. The selections will be by rank seniority, with the Employer retaining the right to assign under certain circumstances.

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Mario Chiesa 10-23-97
Mario Chiesa
Neutral Chairperson

IS/
Union Delegate

Steve H. Schwarz - DISSENT
Employer Delegate

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The evidence establishes that the 28-day cycle, which requires a seven-day rotation, has been utilized by this bargaining unit since approximately 1982 or 1983. In fact, the patrol unit was on the schedule until the 1994 Act 312 arbitration which led to the 1993-1996 contract. At that time both the patrol union and the Employer were seeking a 90-day/3-month rotation. The Employer's three-month plan was awarded by the arbitration panel, but it apparently didn't work to the parties' expectations and was changed to a six-month rotation during the last negotiations.

The evidence establishes that as a result of the difference in the shifts, patrol officers work under the direct supervision of different sergeants and lieutenants each week. According to the testimony, command officers work with a specific patrol officer between one to five days a month. The Chief testified to a number of perceived shortcomings in the system, including lack of follow-up and citizens' complaints, problems with morale, problems with counting for sick leave, vacation or comp time, etc. Testimony from the Union's witnesses indicates that the problems are minor and that one officer had volunteered to take care of all payroll sick and vacation accounting. Apparently his offer was not accepted.

The data regarding the comparable communities offered by the Employer, along with the stipulated communities, shows a variety of shift arrangements. According to the Employer, seven of the communities have a seven-day rotation. It maintains that in all of

them the rotation for patrol and command is the same. There appears, however, to be a difference in perhaps Flat Rock.

It is surprising to see the bargaining unit requesting to maintain rotating shifts, as exists in the Wyandotte command structure, rather than striving to acquire permanent shifts which is usually the norm. Nonetheless, I note that a seven-day change or 28-day rotation has been the rule since about 1982 or 1983. The problems suggested by the chief are the result of the patrol unit changing its shifts. I note that the shifts were first changed as a result of an arbitration and, then subsequently, a six-month rotation was instituted. It must be understood that the command unit really had no part in creating the perceived difficulties enunciated by the Chief.

I agree with the Union that maintenance of the status quo is warranted unless there is compelling evidence to the contrary. While there is no agreement that the standard is "compelling evidence," the fact is that when all the evidence and arguments are considered, notwithstanding the apparent reasonableness of the Employer's offer, the status quo should be continued.

First of all, the seven-day rotation shift system has been utilized by the command unit, or for that matter, both law enforcement units, since about 1982 or 1983. One would expect that since it was utilized for that long a period of time, it would be anticipated that any changes would be the result of negotiations and the give-and-take of bargaining.

Secondly, while the Chief has suggested some problems because the patrol and command are on different shifts, there are no specific examples to show that the Department's operations are hampered to any substantial degree. It seems that given the period of time the patrol officers have been on a six-month or three-month rotation, there would have been clear examples of problems arising because of the difference in the shift schedules between patrol and command.

This is one of those issues where the parties are best left to resolve in their own fashion. There is nothing to prevent them from revisiting this or any other issue and modifying their positions or reaching an agreement. Nonetheless, given the evidence in this record, the status quo should not be altered and the Union's position should be adopted.

AWARD

The Union's position regarding shift rotation, i.e., the status quo, shall be adopted.

Mario Chiesa 10-23-97

Mario Chiesa
Neutral Chairperson

Michael P. Somers

Union Delegate

151 dissent

Employer Delegate

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AWARD

The Union's position regarding shift rotation, i.e., the status quo, shall be adopted.

Mario Chiesa 10-23-97
Mario Chiesa
Neutral Chairperson

/S/
Union Delegate

~~John A. Schmitt~~ - OASSENT
Employer Delegate

OASSENT: The unrefuted evidence supports the need for a change as proposed by the City. There is no basis to support the status quo, which maintains an unworkable situation, which ultimately harms the public safety of the community.

STATE OF MICHIGAN
DEPARTMENT OF LABOR
COMPULSORY LABOR ARBITRATION

In the Matter of:

POLICE OFFICERS LABOR COUNCIL,
WYANDOTTE COMMAND OFFICERS,

Union,

-and-

MERC Act 312
Case No: D95 G-1078

CITY OF WYANDOTTE,

Employer.

-----/
MARIO CHIESA, Chairperson
MICHAEL P. SOMERO, Union Delegate
STEVEN SCHWARTZ, Employer Delegate
-----/

UNION'S LAST BEST OFFER

1. OVERTIME (Article XI/Section 1)

The Union is withdrawing this issue.

2. HEALTH INSURANCE/ACTIVE (Article XX/Section 1(a)).

The Union is requesting that the pap smears and mammogram riders be added to the current coverage:

Effective October 1, 1993 the City will provide the following group health insurance for each employee, spouse, and dependents under the age of nineteen (19) years of age and will pay one hundred (100%) percent of the premiums for such insurance during the term of this agreement.

A. BC/BS - PPO, Trust 15 Plus 15 Comp Semi, D45 NM, MVF-1, SAT2, SOPTE GLE1, FAERC, RPS, and RM

3. HEALTH INSURANCE/RETIREES (Article XX/Section 4(2))

The Union withdraws this issue.

4. LIFE INSURANCE (Article XXI/Section 1)

The Union is requesting the following change to their life insurance:

Section 1: The City will provide and bear the cost of life insurance for regular classified employees in the amount of \$50,000 with \$50,000 AD & D.

5. PENSION (Article XXVI)

Effective the date of the award, pension changes:

1. For Command members "Final Average Compensation" means the best twelve (12) consecutive months of compensation, as defined by ordinance, and shall also include holiday pay for the three hundred sixty-five (365) day period preceding the effective date of retirement, effective October 5, 1981, and to include the best single year of longevity pay. Notwithstanding, anything herein to the contrary, effective the date of the award, for police commandmembers, final average compensation (except in the case of deferred retirement, a member's resignation or a member's discharge) shall also include a member's accrued vacation and sick leave paid on retirement, gun allowance, clothing allowance, and overtime.

2. Command officers shall be guaranteed a minimum straight life pension equal to: an amount equal to the sum of (i) the number of years, and fraction of a year, of his credited service, not to exceed twenty-five (25) years, multiplied by two and eight tenths (2.8%) percent of his final average compensation, plus (ii) the number of years, and fraction of a year, of his credited service in excess of twenty-five (25) years, if any, multiplied by one (1%) percent of his final average compensation, but not to exceed seventy-five (75%) percent of final average compensation. There shall be no reduction for the hypothetical accumulated contributions standing to the member's credit at the time of retirement.

Command Officers' pension contribution rate shall be six (6%) percent effective the date of the award.

6. WAGES (Article XXVII)

The Union is requesting the following wage schedule:

<u>Effective</u>	<u>Sgt.</u>	<u>Lt.</u>
2/1/96	14% above patrol	10% above sgt.
2/1/97	14% above patrol	10% above sgt.
2/1/98	14% above patrol	10% above sgt.
2/1/99	14% above patrol	10% above sgt.

The Union is requesting full retroactivity of all economic benefits.

CITY ISSUES

1. SHIFT ASSIGNMENTS (Article X/Section 5).

Current Contractual Language:

Any changes in the current rotation of shifts, will be made by mutual agreement between the Union and City. As of 2/1/93 shifts are midnights (third shift), afternoons (second shift), and days (first shift). Shifts consist of a twenty-eight day rotation using a four (4) platoon system.

The Union is requesting the current shift schedule remain status quo.

2. ACCRUAL OF SICK/VACATION TIME

Current Contractual Language: None.

The Union is requesting that the status quo be maintained.

3. HEALTH INSURANCE (Article XXI/Section 1(A)).

The Union requests the following health insurance coverage (see Union Issue 2).

Effective October 1, 1993 the City will provide the following group health insurance for each employee, spouse, and dependents under the age of nineteen (19) years of age and will pay one hundred (100%) percent of the premiums for such insurance during the term of this Agreement.

A. BC/BS - PPO, Trust 15 Plus 15 Comp Semi, D45 NM, MVF-1, SAT2, SOPTG
GLE1, FAERC, RPS, and RM

4. DENTAL INSURANCE (Article XX/Section 1(E)).

Current Contractual Language:

E. Group Dental Care:

Class I: 100%

Class II: 80%

Class III: 50%

\$1,000 per year for Classes I, II, and III

Class IV: Orthodontics Service 50% lifetime limitation \$1,000

The Union is requesting that dental benefits remain status quo.

5. OPTICAL INSURANCE (Article XX/Section 1(D)).

Current Contractual Language:

Vision Series VCA-80 with Rider FLVS

The Union is requesting that optical insurance remain status quo.

6. DISABILITY RETIREMENT (Section 2-224(c)).

Current Pension Ordinance Language:

Notwithstanding anything in this section to the contrary, effective February 1, 1990, for a police member, a police department command officer, a member of the FOP police/fire dispatcher/clerical bargaining unit, a fire member or a general member, should a dispute exist between the said member's attending physician and the medical director on whether or not said member has satisfied the requirements of subsection (a) above, then the City and said member's bargaining unit shall mutually select and agree upon a third duly licensed and qualified physician to examine said member and make a final review and determination and report to the Commission on whether or not the said member meets the requirements for disability retirement under this section.

The Union is requesting the current procedure remain status quo.

7. LONG TERM DISABILITY (Article XXII/Section 3).

Current Contractual Language:

Section 1: The City will provide and bear the cost of Long Term Disability Insurance for regular classified employees.

Section 2:

Benefit Amount: 50% of base salary to age 65
\$70,000.00 maximum annual covered salary
90 day waiting period

Standard Benefits: Standard two year nervous and mental
benefits
\$50.00 minimum monthly benefit
Full maternity
Full family integration
Recurrent disability benefits
Cumulative elimination period
24 month own occupation definition of
disability

Section 3: A regular employee may purchase additional LTD coverage through payroll deduction on the following:

60% of base salary or
70% of base salary or (maximum allowed by insurance carrier)
The cost to the employee will be based on the carrier's cost
difference from 50% of base to 60% or 70% of base, respectively.

The Union is requesting the current long term disability coverage remain status quo.

Respectfully submitted,

JOHN A. LYONS, P.C.



Barton J. Vincent (P49808)
Attorney for Union
675 E. Big Beaver, Ste. 105
Troy, MI 48083
(810) 524-0890

Dated: May 7, 1997

MICHIGAN DEPARTMENT OF LABOR
EMPLOYMENT RELATIONS COMMISSION

CITY OF WYANDOTTE,

Respondent,

-and-

MERC Case No. D95 G-1078
Arb. Mario Chiesa

POLICE OFFICERS LABOR
COUNCIL,

Petitioner.

Barton J. Vincent
Attorney for POLC
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CITY OF WYANDOTTE'S LAST BEST OFFER

Respondent City of Wyandotte, by its attorneys, Gunsberg & Breskin, P.C.,
submits its Last Best Offer.

Union Issue 1: Language Re: Overtime Assignments While on Vacation

City's Last Best Offer: No change.

Union Issue 2: Health Insurance Riders: Pap Smears and Mammograms

City's Last Best Offer: No change.

Union Issue 3: Retiree Health Care

City's Last Best Offer: No change.

Union Issue 4: Life Insurance: Active Members

City's Last Best Offer:

Article XXI - Life Insurance, Section 1, shall be revised as follows:

The City will provide and bear the cost of life insurance for regular classified employees in the amount of \$30,000, with \$30,000 AD & D.

Effective February 1, 1999, the City will provide and bear the cost of life insurance for regular classified employees in the amount of \$40,000, with \$40,000 AD & D.

Union Issue 5: Life Insurance: Upon Retirement

This issue was withdrawn by the Union on January 29, 1997.

Union Issue 6: Pension: F.A.C. to Include All W-2 Form Benefits

City's Last Best Offer: No change.

Union Issue 7: Pension: Remove 25% Increase Limit on F.A.C. When Paid For Vacation & Sick Leave

City's Last Best Offer: No change.

Union Issue 8: Pension: Increase Multiplier From 2.5% to 2.8% for All Members Currently at 2.5% Level

City's Last Best Offer: No change.

Union Issue 9: Pension: Increase Max Benefits from 62.5%

A. With 25 Years of Service

City's Last Best Offer: No change.

B. With 30 Years of Service

City's Last Best Offer: No change.

Union Issue 10: Wages: Increase Rank Differential

Sergeant: From 14% to 15% Above Patrolman Maximum

Lieutenant: Remains 10% Above Sergeant

City's Last Best Offer:

Article XXVII - Wage Schedule, shall be revised by replacing all of the existing language as follows:

The following will be incorporated into the wage schedule:

		<u>Sergeant</u>	<u>Lieutenant</u>
Effective 2-01-96	Start	\$43,004.83	\$47,311.68
	6 months	\$45,274.94	\$49,793.95
Effective 2-01-97		14% Above Applicable Patrol Step	10% Above Applicable Sergeant Step
Effective 2-01-98		14% Above Applicable Patrol Step	10% Above Applicable Sergeant Step
Effective 2-01-99		14% Above Applicable Patrol Step	10% Above Applicable Sergeant Step

Retroactive payment to be made after final wage determination of the patrol

bargaining unit.

Union Issue 11: Fire Dispatching Duties: Eliminate or Pay Member's Annual Bonus.

This issue was withdrawn by the Union on January 29, 1997.

Union Issue 12: Retroactivity of Benefits: The parties stipulated on January 29, 1996 that any wage increase will be retroactive to February 1, 1996 and that no other economic benefit will be retroactive to a date prior to the issuance of the Act 312 Opinion and Award.

City Issue 1: Seniority (failure to return from leave of absence)

This issue was withdrawn by the City on January 29, 1997.

City Issue 2: Shift Assignments

City's Last Best Offer: Article X, Hours of Employment, Section 5 shall be revised as follows:

Any changes in the current rotation of shifts will be made by mutual agreement between the Union and the City. As of 02/01/93, shifts are midnights (third shift), afternoons (second shift), and days (first shift). Shifts consist of a 28-day rotation using a four (4) platoon system.

Effective October 6, 1997, the City shall implement a three (3) platoon system. No command officer shall be demoted or laid off as a result of this change; however, the City shall have no obligation to fill any command officer position which becomes vacant and it retains the right to lay off or demote command officers for reasons unrelated to the change in

the platoon system. Nothing in this Article shall be construed as a guarantee of work or as a requirement by the City to fill a command officer position.

One (1) Lieutenant and one (1) Sergeant will be assigned to an eight hour shift, at the discretion of the Department Administration for a six month period. These shifts may overlap the first, second and third shifts described in this Section. For example, the Lieutenant may be assigned to work 11 A.M. To 7 P.M. and the Sergeant may be assigned to work 8 pm to 4 am. These command officers may be assigned to a different shift for at least one week's duration to cover vacations, sick or other leaves of absence or for special projects or assignments.

The remaining Command Officers, one (1) Lieutenant and one (1) Sergeant, will then be assigned to a shift: first shift 7 am to 3 pm, second shift 3 pm to 11 pm and third shift 11 pm to 7 am. Shift selections for assignment will be by rank seniority every six (6) months (6-1/2 28 day cycles), and will coincide with the start of the summer and winter vacation schedules (April and October). The Administration will make every reasonable effort to honor the shift preference expressed, provided those determinations to decline the officers' preferences shall not be of an arbitrary or capricious nature. The Department Administration retains the right to assign.

The City shall post shift and day off rotation sign up sheets no later

than sixty (60) days prior to the beginning of the summer or winter shift period. Command Officers, by rank seniority, will select their shift preference, 1st shift, 2nd shift or 3rd shift and leave day rotation (Lieutenants first followed by Sergeants).

Each member is allowed 48 hours, not counting leave or vacation days, to select their shift assignment once the shift selection choice is theirs. A member who fails to select a shift preference and leave day rotation within 48 hours shall fall to the bottom of the seniority list (rank seniority) for that selection period.

Pursuant to Departmental Rules and Regulations, spouses may not be regularly assigned on the same shift.

Leave days, as indicated on the sign up sheets, will follow a forward rotation, 6-2, 6-2, 6-2, 6-2, 6-3, 5-3. No overlapping days per shift will be allowed.

City Issue 3: Accrual of Sick Leave

City's Last Best Offer: Article XIII - Sick Leave, shall be amended by adding Section 6:

Effective the first full calendar month after the date of the issuance of the Act 312 Opinion and Award, sick leave shall cease to accrue:

(1) workers' compensation leaves - after 100 working days, if the employee elects not to take accumulated comp time, sick leave or vacation to supplement the workers' compensation payments;

(2) all other leaves - in the month in which the employee performs no work for the City.

City Issue 4: Accrual of Vacation Leave

City's Last Best Offer: Article XIV - Vacation Leave shall be amended by adding Section 1(J):

Effective the first full calendar month after the date of the issuance of the Act 312 Opinion and Award, vacation leave shall cease to accrue:

(1) workers' compensation leaves - after 100 working days, if the employee elects not to take accumulated comp time, sick leave or vacation to supplement the workers' compensation payments;

(2) all other leaves - in the month in which the employee performs no work for the City.

City Issue 5: Health Insurance--Active Employees (Blue Cross/Blue Shield P.O.S.)

City's Last Best Offer: Article XX, Health Insurance, shall be amended by adding Section 6:

Effective the first full calendar month beginning ninety (90) days after the issuance of the Act 312 Opinion and Award, the City shall offer (subject to meeting Blue Cross requirements) active employees four options for selection of health insurance:

(1) Blue Cross/Blue Shield PPO (as described in Section 1 of this Article;

(2) Blue Care Network Plan - HMO (as described in Section 3 of this Article;

(3) Blue Cross/Blue Shield POS (as described in Article XX, Section 1(A) of the patrol officers' 1996-1997 collective bargaining agreement; or

(4) Blue Cross/Blue Shield Community PPO Plan 1 (Community Blue Basic, ASFP, BMT, ESRD, GCO, GLE1, GCO, GLE-1, HMN, ICMP, PTFS, PTS, RAPS, SUBRO2, SOTPE).

The City shall provide one hundred (100%) of the premiums for each employee, spouse and dependent under the age of nineteen (19) years of age for either the POS or HMO options. The City shall pay 50% of the difference between the premium for the PPO plan selected by the employee and the POS premium; the employee shall pay the other 50% through payroll deduction. The City shall implement a Section 125 "cafeteria plan" for employees electing either PPO option.

City Issue 6: Health Insurance - Elimination of Free-standing Dental and Vision Plan

City's Last Best Offer: Article XX, Health Insurance, Section 2, shall be revised as follows:

SECTION 2: DOUBLE COVERAGE

A. An employee shall not have coverage under both the City insurance and coverage under his/her spouse's insurance; double coverage will not be

allowed.

B. An employee will be required to sign a "Statement of Non-Double Coverage" to become eligible for any insurance coverage provided by the City. The insurance provided in Section 4 shall be available for any person who retires from the City from this bargaining unit.

C. If an employee is covered by his/her spouse's health insurance and not covered under the City's insurance contract, then the employee shall receive a post paid allowance in the amount of \$125.00 for each month that said employee is not covered under the City's health insurance contract. Payment of this allowance shall be made quarterly in April, July, October and January of each year.

Should the employee's coverage under his/her spouse be terminated the employee, upon notification to the City, will be immediately placed upon the City's health care coverage and the \$125.00 paid allowance will be discontinued.

D. Effective the first full quarter after the issuance of the Act 312 Opinion and Award, an employee who does not participate in the Free Standing Dental and Vision Program shall receive \$10.00/month more for an individual to stay off all City health care plans (an increase from \$125/month to \$135/month).

If an employee who is not participating in the City's health care plan and is receiving \$125 per month, and does not receive dental and vision coverage

from another source, that employee may receive dental and vision coverage through the City as outlined under Section (3B) and (3C) of this Article. That employee cannot co-ordinate or duplicate vision or dental benefits being received from any health care provider. Also, the employee shall not receive the additional \$10.00/month increase to stay off all City health care plans.

The employee must sign an affidavit stating that vision and dental benefits are not being received from another source before vision and dental benefits are provided by the City.

If an employee opts for Blue Care Network with the City, that employee shall receive vision and dental benefits from the City at no cost. The employee is ineligible for the \$125/month payment.

City Issue 7: Pension - City Physician Language

City's Last Best Offer: Article XXVI - Pension, Section 1, shall be revised as follows:

Requests for disability retirement must meet eligibility requirements of the retirement ordinance. In cases of dispute between the employee's attending physician and the retirement system's medical director, the City and the Union will select a third physician for final review and determination. Effective upon the Act 312 panel's issuance of the Opinion and Award, in cases of dispute between the employee's attending physician and the City's physician, the City and the Union

will select a third physician for final review and determination.

The City reserves the right to waive, maintain or alter the requirements of Section 2-224 Disability Eligibility Requirements; Section 2-225, Disability Retirement Allowance; and Section 2-226, Re-examination of Disability Retirees of the Retirement System Ordinance. In no event will the pension benefits be less than the normal calculation of benefits for the applicable service credit.

City Issue 8: Eliminate Life Insurance - Retirees

This issue was withdrawn by the City on January 29, 1997.

City Issue 9: Reduction of Long-Term Disability; Employee's Optional Purchase

City's Last Best Offer:

Article XXII - Long Term Disability, Section 3 shall be revised as follows:

A regular employee may purchase additional LTD coverage through payroll deduction on the following:

60% of base salary or

70% of base salary or (maximum allowed by Insurance carrier).

The cost to the employee will be based on the carrier's cost difference from 50% of base to 60% or 70% of base, respectively.

Effective six months after the effective date of the Act 312 panel's Award and Opinion, regular employees may purchase additional LTD coverage through payroll deduction on the following:

60% of base salary or

66 2/3% of base salary or

70% of base salary or (maximum allowed by Insurance carrier).

The cost to the employee will be based on the carrier's cost difference from 50% of base to 60% or 66 2/3% or 70% of base, respectively.

In the event that no bargaining unit employee has elected to purchase the 70% option for one year after the effective date of the Act 312

Opinion and Award, the City may discontinue that option.

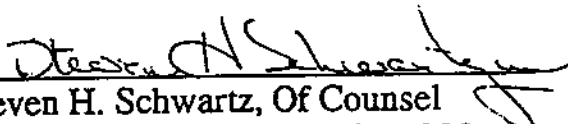
City Issue 10: Duration

The parties stipulated on January 29, 1997 that the contract would be effective from February 1, 1996 through midnight, January 31, 2000.

Respectfully submitted,

GUNSBERG & BRESKIN, P.C.

By:


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