

STATE OF MICHIGAN  
DEPARTMENT OF LABOR  
EMPLOYMENT RELATIONS COMMISSION

ARBITRATION PURSUANT TO PA 312 OF  
1969, AS AMENDED

IN THE MATTER OF THE ACT 312 ARBITRATION  
BETWEEN:

CITY OF WYOMING (Employer)

-and-

LABOR COUNCIL, MICHIGAN FRATERNAL  
ORDER OF POLICE, WYOMING POLICE  
OFFICERS ASSOCIATION (Union) (Association)

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MERC Case #C91 B-0057

OPINION, FINDINGS AND ORDER

APPEARANCES:

**ARBITRATION PANEL:**

Mario Chiesa, Neutral Chairperson  
Michael A. Snapper, Employer Delegate  
Fred LaMaire, Union Delegate

**FOR THE UNION:**

John A. Lyons, P.C.  
By: John A. Lyons, Jr.  
675 E. Big Beaver Road, Suite 105  
Troy, Michigan 48083

**FOR THE EMPLOYER:**

Miller, Johnson, Snell & Cummiskey  
By: Michael A. Snapper  
800 Calder Plaza Building  
Grand Rapids, Michigan 49503

**TESTIFYING:**

Nancy Ciccone, Labor Research Analyst  
Labor Council, Michigan Fraternal Order of Police

Fred LaMaire, Labor Representative, Labor  
Council, Michigan Fraternal Order of Police

Jim Kohmescher, Personnel Director, City of  
Wyoming

John Lind, Jr., Lt., Detective Bureau,  
Investigation Division, City of Wyoming

Donald L. Mason, City Manager, City of Wyoming

### INTRODUCTION

The petition in this matter was received by MERC on April 22, 1991. The impartial arbitrator/chairperson was appointed via a letter dated August 29, 1991. A pre-arbitration discussion was conducted on October 3, 1991. The hearing took place on March 3, 1992. Last Offers of Settlement were exchanged between the parties on July 13, 1992. Briefs were exchanged between the parties on August 24, 1992. The executive session took place on September 16, 1992. This Opinion and Award follows as soon thereafter as possible.

It should be noted that the parties waived all of the time limits contained in the statute and in the regulations.

### ISSUES

The panel ruled that the duration of the Collective Bargaining Agreement to be created as a result of this arbitration would be from 7/1/91 through 6/30/93. There are two distinct contract years, i.e., 7/1/91 through 6/30/92 and 7/1/92 through 6/30/93.

While initially there were many issues existing between the parties, as a result of their continued and extensive efforts, Last Offers of Settlement were taken on four economic issues. Those

issues are: Wages, Retiree Health Insurance, Pension, Workers' Compensation.

The Last Offers of Settlement are displayed in Appendix A attached hereto and made a part hereof.

#### STATUTORY CRITERIA

Everyone involved in Act 312 arbitration should be aware of the statutory standards. Those standards are often referred to as Section 9 factors. That portion of the Act reads as follows:

"Sec. 9. Where there is no agreement between the parties, or where there is an agreement but the parties have begun negotiations or discussions looking to a new agreement or amendment of the existing agreement, and wage rates or other conditions of employment under the proposed new or amended agreement are in dispute, the arbitration panel shall base its findings, opinions and order upon the following factors, as applicable.

- (a) The lawful authority of the employer.
- (b) Stipulations of the parties.
- (c) The interests and welfare of the public and the financial ability of the unit of government to meet those costs.
- (d) Comparison of the wages, hours and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally:
  - (i) In public employment in comparable communities.
  - (ii) In private employment in comparable communities.
- (e) The average consumer prices for goods and services, commonly known as the cost of living.
- (f) The overall compensation presently received by the employees, including direct wage compensation,

vacations, holidays and other excused time, insurance and pensions, medical and 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."

#### COMPARABLE COMMUNITIES

Much to their credit the parties agreed that the Cities of Grand Rapids, Grandville, Holland, Kentwood and Walker would be considered comparable to the City of Wyoming for the purposes of this arbitration. By doing so the parties have eliminated the potential of spending an extensive amount of time and expense in determining comparable communities.

#### BACKGROUND

This dispute is between the City of Wyoming and its Patrol Officers' Unit. The unit is comprised of all Police Officers under the rank of Sergeant. Employer Exhibit 1.A lists 55 officers, three of whom are Detectives.

Firefighters are represented by the Wyoming Firefighters Association. The general city group is an independent union known as the Wyoming City Employees Union. In general that unit includes all classifications of employees not covered by other bargaining units. There is also the Police Command Unit which is represented

by the Labor Council, Michigan Fraternal Order of Police. The unit is comprised of all Captains, Lieutenants and Sergeants. There is a Dispatcher and Telephone Operator Unit which is represented by the Labor Council, Fraternal Order of Police. The Supervisory and Administrative employees are represented by the Wyoming Administrative and Supervisory Employees Association.

Before moving on to a discussion of the issues it should be understood that there has been a thorough and painstaking analysis of the entire record, with each of the factors in Section 9 being considered and applied.

#### FINANCIAL DATA

While the Employer has not taken the position that it lacks the ability to pay, there was evidence establishing its concern for financial conditions over the next several months.

Much data is contained in the General Fund Budget Summary, as well as the Schedule of General Fund Revenue Estimates.

The data regarding state shared revenues showed that the estimate for 1992-1993 was \$4,055,000.00 in comparison to the \$4,173,000.00 contained in the 1991-1992 estimate.

There was also a description of the various millage and advisory vote activities which have taken place since November 6, 1979.

While all of this evidence will not be detailed herein, all of it was carefully analyzed and considered.

RETIREE HEALTH INSURANCE  
(ARTICLE XVIII, SECTION 2)

The language in the prior Collective Bargaining Agreement appears as follows:

ARTICLE XVIII - PENSION SYSTEM, BLUE CROSS/BLUE SHIELD AND DENTAL

"Section 2. Beginning July 1, 1989, an employee who receives a pension under the Wyoming Pension System shall have the City pay for Blue Cross/Blue Shield coverage (or such other carrier which the City has), including dental, the following amounts: \$8.00 per month for each year of employment with the City not to exceed 30 years, payable monthly beginning with the date of retirement and ending upon age 65. Provided, further, that any employee who is retired and is receiving or can receive Blue Cross/Blue Shield or such other equivalent hospitalization plan from his or her employment or the employment of his or her spouse shall not be paid any monies toward Blue Cross/Blue Shield during such times that said spouse is or could be eligible or said employee is or could be eligible. Employees for whom the City shall make the payments described in this Section may not select among the various types of insurance coverage but must take the package as a whole. The City's obligation to make the payments described in this Section shall cease upon the failure of any retiree to pay the difference, if any, between the amount contributed by the City and the actual cost of such insurance coverage."

The Employer's position is to continue the status quo. The Union's Last Offer of Settlement reads as follows:

"RETIREE HEALTH INSURANCE (Art. XVII, Sec.2)

"The Union requests the same retiree health insurance as that enjoyed by the Command Officers. That is, that the Employer will pay \$8.00 per month for each year of service not to exceed 30 years. At age 60, the Employer shall provide the full cost of the retired employee and spouse's health insurance coverage, effective 7/1/92."

In analyzing this issue it is assumed that the coverage sought by the Union's proposal would only apply to those individuals who retire after 7/1/92.

It is also noted that the Union has intertwined its Last Offer of Settlement in this issue with its Last Offer of Settlement in the Wage issue. While the statute makes it clear that the decisions are to be issue-by-issue, there is nothing inappropriate with the Union's characterization of its Last Offers of Settlement.

All of the comparable communities provide some level of health insurance for retirees. Grand Rapids pay 100% of the hospitalization insurance premium for the retiree and his/her spouse between those years of age of the retiree between 50 and 64, inclusive. If the retiree predeceases his/her spouse, the coverage continues until such time as the retiree would have reached age 65.

In Grandville an employee who retires at 55 years or older and his/her spouse is eligible for health insurance, the coverage begins on the date of early retirement from the City's service and continues until the employee becomes eligible for Medicare or age 65, whichever occurs first. The City's cost is limited to the existing cost of the coverage provided at the time of retirement. Any increase in the cost of coverage after the date of retirement is paid by the employee.

In Holland an officer who retires after January 1, 1986 at age 55 or older or who retires after that date on a duty-related disability, but who has not yet attained the age of 65, will be eligible for employer-paid health insurance. The Employer will pay

for single coverage up to \$75.00 per month or double coverage up to \$150.00 per month. No payment will be made if the employee is able to obtain no-cost coverage through other employment or through a spouse's employment. Retired employees who are eligible to receive hospital, surgical or medical coverage from another employer-sponsored plan may request reimbursement for any premium cost up to the maximum stated above.

In Kentwood the Employer contributes \$4.00 times the employee's year of continuous active service to a maximum of \$150.00 per month. This is available to employees who terminate or retiree under the City's normal retirement plan. Upon the death of the employee or spouse, the Employer's contribution will be reduced by 25%. The contribution will cease at the employee's age when he is eligible for Medicare.

Officers who retired from Walker are provided the paid hospitalization and dental insurance, assuming they retire on or after their 60th birthday. It will also provide the same coverage for those employees who retire prior to age 60, assuming the employee has continuously maintained the insurance coverage in effect, at their own expense, from the time of retirement until age 60. At age 65 the City of Walker provides a supplement to Medicare.

The evidence establishes that the same benefit sought by the Union in this case is now enjoyed by the Supervisors and Administrative Unit and the Command Unit. In fact, according to the data, the Supervisors and Administrative Unit does not have the



\$240.00 per month cap existing in the Command Unit, or for that matter, in the Police and Firefighter Units. The Firefighters have essentially the same retiree coverage existing in the prior Police contract. The general employee groups and the dispatchers have the same scheme, but have a 25 year cap, rather than the 30 year cap enjoyed by the Police and the Firefighter Units.

The precise cost of the benefit is not known, but it appears at this time the projected cost of the benefit in the Command Unit is 1.6% of payroll.

In general terms the Union relates that when combined with its wage offer, the Employer is actually noting a savings for the term of this contract of about \$63,000.00. It argues that its offer is well within the recognized compensation provided other local police officers. Further, it maintains that its proposal compares favorably with what the Supervisory and Administrative Unit, as well as the Command Unit, receives. It suggests that when compared to the external comparables, it could be argued that Grand Rapids, Grandville and Walker provide better retiree health benefits than what is currently available to Wyoming officers. It argues that its proposal more clearly adheres to the mandates of Act 312 than does that offered by the Employer.

The Employer argues that there is no evidence that the present retiree insurance program has caused any hardship. It also points out that when considering the extent of coverage, dollar value of City's premium payment, maximum age of coverage, and minimum age for eligibility, the current retiree insurance program compares

favorably with retiree insurance in the comparable communities. It also maintains that current coverage compares very favorably with the non-supervisory employee groups because presently the other groups receive the same or a lesser benefit. It also suggests that the history of bargaining has established that management level employees receive a more substantial total compensation package. It points out that if the officers were to receive this benefit, the other Non-Supervisory Units would all be demanding the same benefit. It maintains that given the Employer's economic and fiscal condition, 1992 is not the year to add these major new benefits.

Of course, it should be understood that with this, as well as every other issue, the arguments and evidence were carefully considered and analyzed. This is so even though not every item will be specifically addressed herein.

First of all, it is recognized that at least there is a potential of the other bargaining units requesting this benefit if indeed it is granted to the Police Patrol Unit. It may not be a sure thing because each unit probably has its own priorities which may not include this type of coverage. This is demonstrated at least to a degree by the differences between the units outlined in C of Employer Exhibit 1. For instance, between Police Patrol and Firefighters there are differences in longevity, sick leave, life insurance, age of retirement, length of workers' compensation payout, and clothing and cleaning allowance. Also, while the historical wage adjustments outlined in that document show a

similarity, they are by no means identical between the two units. There are also substantial differences between the Police Patrol, the General Unit, as well as the Dispatchers. So, as indicated, it doesn't necessarily follow that every unit will seek this benefit if it is granted to the Patrol.

One could question whether under the statute the concern that other units would seek the benefit if it is granted herein is an appropriate consideration. Frankly, paragraph (h) covers that question and it is a consideration, although it is questionable how much weight it deserves.

In looking at the comparable communities it would be fair to conclude that some of them provide benefits which are superior to those currently received by members of this unit, while others provide a lesser level of benefit. The point is that it is often difficult to determine whether one provision provides a better level of benefit than the other because the items of comparison may not be identical, or if they are, may reflect certain priorities which are expressed by the various units. For instance, in Wyoming the current benefit begins at age 50. How many individuals retire at that age or have retired at that age is unknown, but the benefit is available at an age earlier than the other comparable communities. Yet, in Grand Rapids, Grandville and Walker, the contribution provision is probably superior to that in Wyoming. It is recognized that there are differences in coverage, such as whether a spouse is covered after the retiree dies, but when all of those items are considered, it would be fair to conclude that

granting the benefit in question would not place members of this unit head and above the level of benefits provided in comparable communities. By the same token, denying it wouldn't destroy their current standing.

There was a suggestion by the Employer that Firefighters are the most relevant internal comparable in this dispute. It is important to recognize and understand the benefits and wage levels received by other bargaining units, but it is difficult to conclude that Firefighters are the most relevant internal comparison. Understandably, they fall in the same general category as Police Officers, i.e., non-supervisory, but the Police Department is made up of Patrol and Command Officers working together to perform the same mission. Certainly it is understandable why the Patrol Officers consider the Command Unit to be their most important comparable employee group. They work side by side and the fact that Command Officers are supervisors doesn't necessarily explain why they should enjoy this protection, while this unit should not.

It has been suggested that because the Command and Supervisory and Administrative Units represent higher management, there is a difference in benefit and wage level which has been established and which should be maintained. To a degree that argument makes sense. It is clear that Command Officers are paid more. However, according to the documents, they receive the same longevity as Patrol Officers. In making these types of comparisons, it is understandable that some of the benefits and wage levels will be higher for the Command Officers. However, there are certain items

which may not necessarily fall within that category and when judged by the criteria utilized to make the distinction, should not fall in that category. Certainly the Union takes the position that since the Command Unit has the retiree insurance benefit it is seeking, the Patrol Unit is also entitled to it. While clearly in some areas management employees should receive greater benefits and wages, it is not as clear that this particular benefit falls in that category. Since Command Officers receive a higher salary, it is pretty easy to rationalize that they should receive more life insurance, that their pension should be higher, and things of that nature. However, it is a little more difficult to take that analysis and just conclude that as a result of being a Command Officer, one is entitled to retiree insurance, while Patrol Officers are not. Retiree insurance is the type of benefit which is not very susceptible to the rationale relied upon by the Employer.

The existence of this benefit in the Command and Supervisory and Administrative Units does establish that granting it in this unit wouldn't be breaking new ground in the sense that the benefit level already exists somewhere in the City. It would be the first time it was granted in a Non-Supervisory Unit, but as stated, the distinction is not as convincing as it would be in other areas.

The Employer has also relied on its perception of upcoming economic difficulties to suggest that this is the wrong time to grant the benefit. The impact of this argument is decreased by the fact that the Union has offered no across-the-board increase for

the second year of the contract. Its first year wage proposal is only a half percent higher than the Employer's, so the fact that it is seeking no across-the-board increase in the second year goes a long way in making the offer financially attractive. Of course, the cost will continue in the future and may increase, or for that matter, may decrease, but the point is the Union is willing to accept no increase, exclusive of the increments, if any, in the second year of the contract. That is a substantial sacrifice.

Another aspect of the analysis which shouldn't be lost is the fact that this benefit can be fine-tuned in the future. As conditions change, the parties can negotiate and deal with problems as they may arise. Also, there is a significant amount of time available for the Employer to fund this benefit. Furthermore, this is a very important benefit which adds security and stability to the lives of retirees and their spouses.

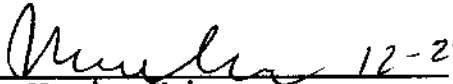
It is apparent that this benefit is very important to the Union because, as indicated above, it has suggested no across-the-board increase in the second year of the contract in order to secure it. This is an important consideration under several of the factors in Section 9. In essence, the Union is trading off in order to secure this benefit.

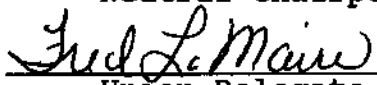
It is clear that after a careful analysis of the applicable factors in Section 9, that the Union's position should be adopted. There is no claim that the Employer lacks the financial ability to meet the cost of the benefit. Comparison of wages, hours and conditions of employment in the comparable communities suggest that

it would not be inappropriate to grant this benefit. In comparing the data regarding internal bargaining units, it is noted that this precise benefit exists in the Command and Supervisory and Administrative Units, although it does not exist in the Non-Supervisory Units. Further, when taking such other factors that are normally and traditionally taken into consideration in the determination of wages, hours and conditions of employment, the wage freeze offered by the Union in the second year of the contract supports the adoption of the Union's Last Offer of Settlement.

AWARD

The panel orders that the Union's Last Offer of Settlement be adopted.

 12-28-92  
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Mario Chiesa  
Neutral Chairperson

  
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Union Delegate

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Employer Delegate

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AWARD

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Mario Chiesa 12-28-92  
Mario Chiesa  
Neutral Chairperson

Union Delegate  
Robert A. Sympson - dissent  
Employer Delegate



### WAGES

The evidence establishes that the current wage rate became effective on 7/1/90. Keeping in mind that the analyses will be based on the maximum rate, it is noted that the maximum base rate for Police Officers is \$33,654.00. For Corporal and Detective it is \$36,816.00.

The Employer's Last Offer of Settlement provides a 4.5% increase in the first year of the contract, effective 7/1/91, and a 3.5% increase in the second year of the contract, effective 7/1/92.

The Union's Last Offer of Settlement is a 5% increase in the first year of the contract, effective 7/1/91, and no increase in the second year of the contract, effective 7/1/92. It is assumed the offer means no across-the-board increase in the second year, but preserves incremental increases, if any.

Given the nature of the statute it is necessary to treat this issue independently, but obviously the Union's position, vis a vis the retirement insurance issue, can't be ignored.

The Employer's Last Offer of Settlement would provide a maximum base for Patrol Officer of \$35,168.00 as of 7/1/91. As of 7/1/92 that figure would be \$36,399.00. The Union's Last Offer of Settlement would provide a rate of \$35,337.00 as of 7/1/91 and the same rate for 7/1/92.

Applying the standards in Section 9, it makes it absolutely clear that the Union's Last Offer of Settlement must be accepted. This Last Offer of Settlement is less than that offered by the

are considered, the granting of the Union's retirement insurance proposal mandates the lower wage increase.

Independent of that analysis, it is noted that accepting the Union's Last Offer of Settlement would still place the maximum Patrol Officer base about \$90.00 higher than the average for 7/1/91 and about \$1,500.00 less than the average for 7/1/92. Also, it is noted that in the past the maximum base for Patrol Officer has ranked about fourth out of the comparable communities. The Union's Offer would maintain that rank for 7/1/91 and may very well maintain it for 7/1/92. The Employer's Last Offer of Settlement would also maintain the rank in 7/1/91 and would probably do so for 7/1/92.

So, as indicated, after carefully considering the factors in Section 9, it is apparent that the Union's Last Offer of Settlement must be accepted.

AWARD

The panel orders that the Union's Last Offer of Settlement be adopted.

  
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Mario Chiesa  
Neutral Chairperson

  
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Fred LaMaie  
Union Delegate

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Employer Delegate

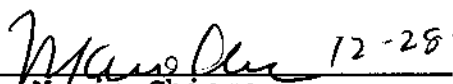
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So, as indicated, after carefully considering the factors in Section 9, it is apparent that the Union's Last Offer of Settlement must be accepted.

AWARD

The panel orders that the Union's Last Offer of Settlement be adopted.

 12-28-92  
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Mario Chiesa  
Neutral Chairperson

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Union Delegate  
  
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Employer Delegate

PENSION (ARTICLE XVIII, SECTION 3)

Currently there is no so-called pension COLA provision in the Patrol Officers' contract. Section 3 of Article XVI of the Police Command Officers' contract reads as follows:

"Section 3. Pension. Employees retiring on or after July 1, 1990 shall receive a benefit multiplier of 2.2%, capped at 30 years of service. Effective July 1, 1992, the monthly pension for an employee who retires after July 1, 1992, after age 60, shall be increased each January by forty percent (40%) of the average of the annual increase in the Consumer Price Index (CPI) of Detroit and Chicago through October of the previous year as published by the U.S. Department of Labor, Bureau of Labor Statistics. The annual adjustment shall be limited to five percent (5%)."

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

"3. PENSION (Art. XVIII, Sec. 3)

"The Employer will provide the same post-pension allowance as that enjoyed by the Command Officers to wit: The Employer shall provide a monthly pension which shall be increased each January by 40% of average of the annual increase in the Consumers Price Index (CPI) of Detroit and Chicago through October of the previous year and published by the U.S. Department of Labor, Bureau of Labor Statistics. The annual adjustment shall be limited to 5%. This benefit is to be effective 7/1/92."

The Employer's position is that there should be no change from the current contract.

The Union maintains that both the internal and external comparables are in line with its proposal. It points out that there are several officers in Wyoming who have contributed to the retirement system, while there are Command Officers who have not. It also argues that social security has been reformatted in 1986 and, as a result, officers will not be able to draw as much as they

did previously. It further suggests that the retirement system is in excellent financial shape and when all the factors are taken into account, adopting the proposal is within the express provisions of Act 312.

The Employer argues that its position is very strongly supported by the record and that the Union's proposal is excessively costly and is without support in the record. The Employer indicates that none of the comparable communities provides this type of benefit. It maintains that the age and service requirements for retirement is the lowest among all the comparable communities. It also points out that social security is provided in Wyoming, while in two of the four comparables there is no social security. In relation to other City units, it maintains that this type of benefit is only received by Police Command and the Administrative and Supervisory Units.

After carefully considering the record and all the applicable factors in Section 9, it is clear that the Employer's Last Offer of Settlement must be adopted.

First of all, except for the so-called "13th" check in Grand Rapids, none of the other comparables has anything similar to the benefit now sought by the Union. Further, when examining elements of the pension schemes in the comparable communities, it is apparent that all, except Wyoming and Grandville, require employee contributions. All, with the exception of Holland and Grand Rapids, provide social security. Further, the age and service requirements in Wyoming are less than all the communities except

Grand Rapids. The multiplier in Wyoming is comparable to the average of the communities.


The cost of the benefit is estimated at 4.37% if the amortization period is 10 years and 2.98% if the period is 25 years. It is noted that the Union has not taken the position that the wage freeze in the second year of the contract is specifically related to the granting of this benefit.

After carefully considering all of the evidence and applying the Section 9 factors, the Employer's Last Offer of Settlement must be adopted.

AWARD

The panel orders that the Employer's Last Offer of Settlement be adopted.

 12-28-92  
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Mario Chiesa  
Neutral Chairperson

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Employer Delegate  
 "dissent"  
\_\_\_\_\_  
Union Delegate

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The cost of the benefit is estimated at 4.37% if the amortization period is 10 years and 2.98% if the period is 25 years. It is noted that the Union has not taken the position that the wage freeze in the second year of the contract is specifically related to the granting of this benefit.

After carefully considering all of the evidence and applying the Section 9 factors, the Employer's Last Offer of Settlement must be adopted.

AWARD

The panel orders that the Employer's Last Offer of Settlement be adopted.

Mario Chiesa 12-28-92  
Mario Chiesa  
Neutral Chairperson  
John A. Saper  
Employer Delegate

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Union Delegate

WORKERS' COMPENSATION  
(ARTICLE X, SECTION 8)

The language in the current Collective Bargaining Agreement reads as follows:

ARTICLE X - LEAVE OF ABSENCE AND SICK LEAVE,  
SECTION 8

"Section 8. Workers' Compensation. Whenever an employee receives workers' compensation benefits, the employee shall be paid the difference between such benefits and the net salary or wage."

The Union proposes the status quo, while the Employer's Last Offer of Settlement reads as follows:

"4. Workers' Compensation. Add the following sentence to Article X, Section 8, Workers' Compensation:

If any automobile 'no fault' supplement is simultaneously being paid by the City to the employee, such payments shall be credited towards the City's obligation under this Section."

The panel understands the Employer's Last Offer of Settlement to mean that when an officer suffers a work-related injury and receives workers' compensation benefits and is also entitled to no-fault compensation supplement arising out of the same event, one shall offset the other. This of course still means that an officer will receive his/her full net salary or wage as provided in the contract. What it prevents is an employee from receiving greater than their net salary or wage via the combination of no-fault benefits paid by the City, workers' compensation benefits paid by the City, and the wage differential outlined in Section 8 of Article X. The Last Offer of Settlement has no impact on benefits received from any other sources.



The Employer argues that as a matter of public policy individuals should not receive more than their current salary when they are prevented from working because of work-related injuries.

The Union maintains there is no evidence suggesting that the system is abused. It further argues that computing only the base wages and the workers' compensation formula negates income that the officer had come to rely upon, specifically overtime.

In analyzing the arguments it becomes pretty clear that it is good policy to provide an employee, who is off with a work-related injury, salary maintenance in order that he/she may maintain his/her standard of living and his/her position in the community. It is also good public policy not to provide more income than one would receive had he/she remained working. The reasons are obvious.

The Union quite correctly states that income individuals receive is made up of components in addition to net salary or wage. Overtime is a very important factor. Yet, the intent of the language as it is written is to provide net salary or wage. By not allowing a setoff for no-fault benefits, the purpose of the language is thwarted. In addition, there is a pretty good possibility that employees would receive more than their net salary or wages, plus overtime, would have provided them.

Certainly there is no intention of placing economic stress on officers receiving duty-related compensation, but by the same token, they should not receive more than what they would have received had they been working.



As a result and after carefully considering the applicable factors in Section 9, including (h) and keeping in mind the panel's understanding of how the Last Offer of Settlement would be implemented, the panel orders that the Employer's Last Offer of Settlement be adopted.

ORDER

The panel orders that the Employer's Last Offer of Settlement be adopted.

Mario Chiesa 12-28-92  
Mario Chiesa  
Neutral Chairperson

Employer Delegate  
Fred LeMain "dissent"  
Union Delegate

FINAL TOTAL AWARD

The panel orders that the total award in this matter shall be comprised of the awards contained herein, all TA's, and the language in the prior contract not altered by the herein awards, TA's or other understandings of the parties.

Mario Chiesa 12-28-92  
Mario Chiesa  
Neutral Chairperson

Employer Delegate  
Fred LeMain  
Union Delegate

A P P E N D I X    A

STATE OF MICHIGAN  
COMPULSORY ARBITRATION

In the Matter of:

CITY OF WYOMING,

Employer,  
- and -

Case No. C91 B-0057

LABOR COUNCIL MICHIGAN  
FRATERNAL ORDER OF POLICE;  
WYOMING POLICE OFFICERS  
ASSOCIATION,

Labor Organization  
\_\_\_\_\_ /

CITY OF WYOMING'S FINAL OFFERS

The Final Offers of the City of Wyoming are as follows:

1. Wages.

First year (7/1/91)	4.5%
Second year (7/1/92)	3.5%

2. Retiree Health Insurance. No change from current contract.

3. Pension. No change from current contract.

4. Workers' Compensation. Add the following sentence to Article X, Section 8, Workers' Compensation:

If any automobile "no fault" supplement is simultaneously being paid by the City to the employee, such payments shall be credited towards the City's obligation under this Section.

MILLER, JOHNSON, SNELL & CUMMISKEY  
Attorneys for Employer,  
City of Wyoming

Dated: July 8, 1992

By   
Michael A. Snapper

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STATE OF MICHIGAN  
DEPARTMENT OF LABOR  
COMPULSORY ARBITRATION

In the Matter of:

CITY OF WYOMING,

Employer,

-and-

MERC Act 312  
Case No: G91 B-0057

LABOR COUNCIL, MICHIGAN  
FRATERNAL ORDER OF POLICE,

Union.

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MARIO CHIESA, Chairperson  
MICHAEL A. SNAPPER, Employer Delegate  
FRED LA MAIRE, Union Delegate

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**FINAL OFFER ON BEHALF OF UNION**

1. WAGES (Art. XIV, §1)

7/1/91-6/30/92 - 5% across-the-board  
7/1/92-6/30/93 - 0%

2. RETIREE HEALTH INSURANCE (Art. XVII, §2)

The Union requests the same retiree health insurance as that enjoyed by the Command Officers. That is, that the Employer will pay \$8.00 per month for each year of service not to exceed 30 years. At age 60, the Employer shall provide the full cost of the retired employee and spouse's health insurance coverage, effective 7/1/92.

3. PENSION (Art. XVIII, §3)

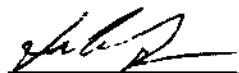
The Employer will provide the same post-pension allowance as that enjoyed by the Command Officers to wit: The Employer shall provide a monthly pension which shall be increased each January by 40% of average of the annual increase in the Consumers Price Index (CPI) of Detroit and Chicago through October of the previous year and published by the U. S. Department of Labor, Bureau of Labor

Statistics. The annual adjustment shall be limited to 5%. This benefit is to be effective 7/1/92.

4. WORKER'S COMPENSATION (Art. X, §8)

Because there was no specific proposal submitted by the Employer to the Union, the Union requests that this item remain status quo.

Respectfully submitted,



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Dated: June 23, 1992