

10/18/74 ARB

Cadillac, City of

In the Matter of Arbitration
Between:

CITY OF CADILLAC

and

CADILLAC POLICE OFFICERS ASSOCIATION

10/18/74

OPINION OF THE CHAIRMAN

Hearings Held

May 1, June 11 & 12, July 17, and August 29, 1974
In Cadillac and Lansing, Michigan

Before

Panel of Arbitration

Samuel S. Shaw, Chairman

Jack R. Clary, Designee of the City

Carl Parsell, Designee of the Association

Appearances

For the City

Jack R. Clary, Esq.

For the Association

Gordon A. Gregory, Esq.

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This arbitration in the matter between the City of Cadillac, Michigan, (hereinafter referred to as "the City"), and the Cadillac Police Officers Association, (hereinafter referred to as "the Association"), was held pursuant to the Police-Firefighters Arbitration Act (Act No. 312, Public Acts of 1969, as amended). The members of the arbitration panel were: Samuel S. Shaw, Chairman, appointed by the Michigan Employment Relations Commission; Carl Parsell, designated by the Association; and Jack R. Clary, Esq., designated by the City.

Facts and Background

The City of Cadillac is located in the north-central portion of Michigan's Lower Peninsula. It has a population of approximately 10,000 people, and is the seat of Wexford County. The City proper covers a land area of 5.8 square miles with a population density of 1,720 persons per square miles. There are roughly 64 miles of roads and highways within the City, including US 131 which runs through the center of the business section, and State trunk lines 55 and 115. The main business section is approximately five blocks long by two blocks wide in the center of the City.

The City and its neighboring communities are well known as an all-seasons recreational and tourist area. Lake Cadillac is within the City limits and Lake Mitchell lies immediately to the west. Several winter sports areas are within a 20 miles radius of the City, including the Caberfae Ski Area.

The police organizations covering the City and the surrounding area are a Michigan State Police Post, which has a complement of 18 men headed by a Lieutenant, the Wexford County Sheriff's Department with approximately 12 full-time personnel, and the City of Cadillac Police Department, which has 15 people including a Chief and a Lieutenant.

The Bargaining Unit of the City of Cadillac Police Department is represented by the Cadillac Police Officers Association, affiliated with the Police Officers Association of Michigan (P.O.A.M.), and consists of two Sargents, ten Patrolmen, and one Police Woman. This Association is recognized by the City as the sole collective bargaining agent for the employees it represents.

The last Agreement between the parties was entered into effective January 1, 1972, and expired on January 1, 1974. The Parties attempted to reach agreement on a new contract through collective bargaining, but were unsuccessful. Also, several sessions under the direction of a State Mediator did not resolve the Parties differences. Therefore, in accordance with the Police-Firefighters Arbitration Act, the matter was referred to a Panel of Arbitration.

The first Hearing was held at McGuire's Motor Lodge, Cadillac, Michigan on May 1, 1974. Subsequent Hearings were held at the Howard Johnson Motor Lodge, Lansing, Michigan, on June 11 and 12, on July 17, and August 29, 1974. At all Hearings the Parties were fully represented; the Association by Gordon A. Gregory, Esq., and the City by Jack R. Clary, Esq. The Parties were given full and ample opportunity to present all pertinent documentary evidence, to introduce and cross-examine witnesses, and to present arguments in support of their respective positions. All witnesses were duly sworn, and in accordance with the provisions of the Act, the proceedings were recorded by a court reporter. A transcript was provided the Chairman of the Panel.

The Panel, through its Chairman, designated those issues which it considered economic issues and those it considered non-economic issues. Non-economic issues were presented first.

In the Hearing of July 17th it was agreed the Parties would present their last best offer on the economic issues, and mail them to the Panel Chairman postmarked no later than August 12, 1974. At this

meeting it was also mutually agreed that a final meeting would be held on August 29th, at which time the Parties would be given the opportunity to present oral arguments in support of their last best offer if they so desired. At this final meeting both Parties presented oral arguments.

The Hearings were closed upon receipt of the transcripts.

Discussion

At the Hearing of July 17th, seven non-economic and six economic issues remained on the table. However, in its last best offer on the economic issues the Association withdrew, without prejudice, its request for a cost of living provision. Also, at the same time they accepted the City's proposed change in Section 28(a) to provide that employees would work a reasonable amount of overtime to be distributed as practically as possible, the exact language to be worked out between the Parties. Also, the Parties agreed to a change in the language of Section 48 - Probationary Period.

These agreements left five non-economic and five economic issues to be resolved. They are discussed singly, with the non-economic issues first.

SECTION 26- UNWORKED TIME

In the last Agreement, this Section read as follows:

"Time off for holidays and vacation time shall be counted as time worked for the purpose of computing overtime."

It was the City's position that vacation time should not be counted as time actually worked when computing overtime.

Under the terms of the last Agreement, overtime was to be paid for over forty hours in a week, and eight hours in a day. The City argued that inasmuch as the Police Department had to operate twenty-four hours per day, seven days per week, an officer's scheduled work week might not coincide with a calendar week. Therefore, under the present language it was possible that an officer who returned from his vacation on a Friday, and had to be scheduled to begin work on the next day, Saturday, would have to be paid for the first two days of his work week. The City contended this was not in accordance with the intent of overtime, and in addition would place an unfair burden upon the City. Therefore, the present language should be changed to avoid any future problems.

The Association argued that the present language had been a part of the parties' agreements since 1969, and no problem of this nature had ever arisen. Therefore, there was no valid reason to change the language.

The Chairman does not agree with the reasoning that a problem, or a dispute, must arise before ambiguous language is clarified. Therefore, he cannot accept the Association's single argument for maintaining the status quo. Overtime payments, as originally conceived, were for the purpose of providing an extra payment to an employee when he, or she, was required to work beyond that considered a reasonable work week. Therefore, the argument as presented by the City is valid, as under the circumstances cited, an officer could be eligible for overtime without having worked at all. As no argument to the contrary was presented by the Association, the Chairman has to conclude that it was not the intention of the parties to provide overtime as such, but only to compensate an officer after he had already put in a full week.

On this basis it is the opinion of the Chairman that the City's request should be granted, and vacation time should not be counted as time worked when computing overtime.

SECTION 28 (a) and (b).- OVERTIME DISTRIBUTION

The City requested that Section 28 (a) be amended " to provide that employees perform reasonable amounts of overtime upon request. Amend Section 28 (b) by substituting the principle that overtime shall be distributed as equitably as practical among the employees in the same classification for the rigid twenty-four (24) hour rule now contained in that Section."

At the Hearing, the Association withdrew its objection to the City's proposal for Section 28 (a), and agreed it would accept language reflecting the City's position.

However, no agreement was reached on the City's requested change in Section 28 (b).

A review of the testimony indicates that, despite the present twenty-four hour provision of Section 18 (b), the City has allowed overtime distribution to vary as much as forty hours without any official objection from the Association. The City contended the 24 hour rule was impractical, and impossible to comply with considering the amount of overtime, officers on vacation, etc.

After studying the situation, the Chairman does feel that 24 hours is too narrow a figure to maintain under all situations. However, he does feel that some limit should be imposed, and it should not be left entirely to the City to determine this limit.

The evidence indicates that forty (40) hours is a practical limit, and could be maintained without undue difficulty by the City, and would still provide a reasonable balance for the officers.

Therefore, it is the finding of the Chairman that the 24-hour overtime differential provision of Section 28 (b) be changed to forty (40) hours.

RESIDENCY

Although not included in previous Agreements, the Association requested the City's present Residency Rule be modified.

This Rule now reads as follows:

"After three (3) years of service an employee may reside outside of the City Limits, provided that he resides in one of the townships which are adjoining to the City limits. These townships are: Selma, Cherry Grove, Clam Lake, and Haring."

The Association's request is that the Rule be changed to allow members of the Police Department to live out of town

"from the present four (4) townships to a road mileage from the Cadillac City Limits to anywhere within twenty (20) miles."

The Association contended the present residency restriction was unfair as residential property, either within the City limits or presently designated townships, was not easily available, and generally too expensive for the average policeman. Further, that such residency rules were archaic and unreasonable. The Association argued that if any officer was unable to report for work as scheduled, Paragraph 4 of the City's Residency Resolution gave the City the right to require that officer to move back into the City.

The City stated the Residency Rule had been in effect since 1967, and was originally established to provide reasonable assurance that City employees would be able to meet their work schedules, particularly during the winter weather. The City cited normal annual snowfall as between 70 and 80 inches, but pointed out that in 1971 the snowfall was recorded at 161.5 inches. Further, the City argued, the Residency Rule applied to all City employees, and an exception could not be made of the Police Department without disrupting the creditability of the Rule.

The Chairman agrees it is essential for members of the Police Department to be available for work when needed, and the further a man lived

from the immediate City area, the longer it would take him to report for work, particularly if the road conditions were bad.

The Chairman also recognizes the position of the Association that the City should not have the right to dictate the actions of the officers during their off-duty hours, particularly when, as in this case, this dictation may result in imposing an additional financial burden.

The Chairman feels that so long as transportation problems do not interfere with the performance of duty, residency restrictions can be considered somewhat paternalistic. In the Cadillac situation, if an officer is unable to report for work as required, or within the necessary time element, because of the road conditions or distance, The City can take appropriate corrective measures under Paragraph 4, or under the disciplinary procedure. Therefore, modifying the residency limitation by a reasonable extension should not result in a hardship to the City, as provisions are available to remedy a situation should a problem arise.

The Chairman is not unmindful of the City's argument that modifying a rule for one segment of the City's employees, without including others, might create a problem. However, he does not feel he can use this as an excuse to ignore the problem presented to him.

For the reasons stated above, it is the opinion of the Chairman that permissible residency area for officers of the Cadillac Police Department should be extended to encompass the townships of Henderson, Boon, Colfax, and Cedar Creek. However, the Chairman does exclude Antioch from this group, as he finds the far edges of this township would exceed what in his opinion would be a reasonable limit. Therefore, to avoid any misunderstanding he has excluded the entire township.

TWO-MAN PATROLS

The Chairman is fully aware that both the City and the Association have some very strong and definite opinions with respect to this issue. Consequently, in order to better evaluate the arguments presented by the parties, he conducted an independent survey of the practices and policies currently prevailing in several local communities, including the rationale behind these practices and policies.

In a substantial number of cases he found, that for the time being at least, the parties accepted the thinking that the matter was not a subject for the collective bargaining agreement, with the result the assignment of officers is left to the sole discretion of the employer. However, everyone contacted agreed the matter was of mutual concern, and the subject of frequent and lengthy discussions.

In the instant case, however, the Chairman does not feel that in this point in time he need concern himself with whether the subject should, or should not, be covered by the Agreement. Apparently this question, if it ever arose, was decided earlier by the parties, inasmuch as the prior Agreement contained the following provision:

"Section 36. Two Man Patrols

The City agrees to operate three (3) man shifts from 4:00 P.M. to 8:00 A.M. unless schooling or vacations interfere with this scheduling; and when it does interfere, the City agrees to operate at least one (1) two man patrol car between the hours of 8:00 P.M. and 4:00 A.M. under all circumstances, two (2) men shall be in a patrol car from 8:00 P.M. and 4:00 A.M."

The City's position on this issue was to delete Section 36 and eliminate the two-man patrol restrictions. The Association's position was that the provision should remain unchanged, and be included in any future agreement.

The City claimed that since this provision was negotiated, several disputes have occurred, with the Association taking the position that

all patrol cars operating between the hours of 8:00 P.M. and 4:00 A.M. must be manned by two officers. The City contended this was not necessary in a city the size and composition of Cadillac, and that it was "tantamount to feather-bedding."

The Association contended that officers' safety was at stake, and that two men in a patrol car helped to insure maximum safety for both.

As a result of his evaluation of the evidence, plus his independent research, the Chairman is not convinced that two men to a patrol car is the answer to maximum officer security. In fact, authoritative opinion, and the records, indicate the contrary. It is almost unanimously agreed in the crime handling field that maximum protection for an patrol car officer is supplied when he is backed-up by a second officer in a second car. In fact, the record indicates that two officers in the same car tend to become over confident of their ability to handle any given situation, with the result they often expose themselves to unnecessary hazards. On the other hand, two men in two cars offer greater mobility, with the result they can be more effective in supporting and protecting each other.

In weighing the City's arguments, the Chairman is not satisfied that the City's description of Cadillac as a "quiet rural town" accurately presents the true picture. It is true that the permanent population is only 10,000 people, and that the vast majority of them go home at night and rarely become a police problem. However, the tourist influx in both summer and winter, cannot be ignored. Although exact figures are not available, the Cadillac Chamber of Commerce estimates that over 200,000 "visitors" per year come to the greater Cadillac area. Although their particular recreational attraction may lie outside the City limits, the City is a focal point for shopping, night entertainment, etc.

The Chairman would not categorize Cadillac as a high crime area, but he does feel that, all things considered, one officer in one patrol

car during the hours from 8:00 P.M. to 4:00 A.M. would be spreading police protection and crime prevention pretty thin. Therefore, after due consideration of all the evidence, and the current situation, it is the opinion of the Chairman that the Agreement should provide that the City operate a minimum of two single man patrol cars during the hours from 8:00 P.M. to 4:00 A.M. However, to provide some leeway in the event one car is out of commission, the City may schedule, on a strictly temporary basis, one car manned by two officers.

PROBATIONARY PERIOD - SECTION 48

This provision was an issue during collective bargaining, but during this Hearing the parties stipulated to the following language:

"Section 48. Probationary Period. Each employee shall be considered as a probationary employee for a period commencing from his first day of employment and ending six (6) months thereafter or for a period of time coextensive with the probationary period established in Act 78, Civil Service, whichever is greater, provided that the time an employee is attending school as required by law shall not be used for the purpose of computing the six (6) month probationary period."

PARKING METER COLLECTIONS

At the present time parking meters are emptied and the money collected by two officers of the Police Department. This collection duty involves 425 meters, all of which are located in the central business district. The collections are made once a week, generally on Tuesday, after 4:00 A.M. According to the testimony, this duty requires about two hours work, and has been handled by the Police Department since the meters were installed in 1957 or 1958.

The Association requested that the following be added to the Agreement:

"Parking meter fines, picking up money from the meters, and anything to do with the meters be completely divorced from the Police Department."

The Association's argument in support of their request, was basically that during the collection period the officers were not performing police duty, and that because the work is performed on a routine scheduled basis, anyone who wished to commit a crime would be able to anticipate where the officers would be, and what they would be doing. Further, "because we feel that we are professionals we feel that it would be in the same category as asking or demanding that the City Manager do janitorial duties or maintain and polish his own car."

The City contended it was strictly an economic matter. If the meter collection duty was not done by the police officers, an additional employee would have to be hired. The City claimed that as the collection had to be done at night when the meters were not in use, the collectors should be armed. Therefore, the suggestion that the work be performed by the meter-maid was not practical; first because she could not be spared from her day-time duties to work at night, and second, she was not armed.

After considering the situation, the Chairman does not feel the arguments presented by the Association have sufficient merit to justify including this request as part of the Agreement.

It is not an uncommon duty assignment in the smaller cities or towns where the personnel is limited. Further, the time involved is roughly only two hours per week, and then during the quieter morning hours. The Chairman does not believe the work is demeaning, or reflects adversely upon the professional status of the police officer. Even more important, all things considered, it would not be reasonable, or practical, to incorporate into the Agreement a provision that would not add significantly to the officers situation, but would increase the City's operating costs.

ECONOMIC ISSUES

In accordance with the provisions of the Police-Firefighters Arbitration Act (Act 312, Public Acts of 1969, as amended), the economic issues were identified, and both the City and the Association submitted their last-best offer on each issue to the Arbitration Panel. These last offers of settlement were submitted in writing, and supported by both oral and written arguments.

In reaching his conclusions, the Chairman considered all factors set forth in Section 9 of the Act.

TERM OF THE AGREEMENT

The Association's position on this issue was that the Agreement be effective on January 1, 1973, and terminate on December 31, 1974. The City requested a two year Agreement, to be effective on January 1, 1974, and terminate on December 31, 1975 (12:01 A.M., January 1, 1976).

Inasmuch as it has taken a substantial length of time to conclude this Agreement, with ten months of the year 1974 having already elapsed, the Chairman feels it would be impractical to establish a termination date for this new Agreement of December 31, 1974. This would amount to the Panel returning to the parties an agreement for the next two months. Further, it would then require the parties to immediately start negotiations on a contract for calendar 1975. Therefore, it is the Chairman's opinion, that a finding that this Agreement should terminate at the end of calendar 1974, would be a disservice to the parties.

In reaching his conclusions on the economic issues, the Chairman has taken into consideration the financial impact on the parties over a two year period, January 1, 1974 through December 31, 1975, and finds this Agreement is to be effective through this period.

COURT TIME - Section 30 (a) - Call Back Pay

The City requested a modification in the language of this Section to exclude the court appearance of an officer called in a civil matter.

As a grievance is now pending on the interpretation of the present language, the Association took the position that the City's request was not within the jurisdiction of this Panel, and the matter must be resolved on the basis of the subsequent arbitration award.

It is the ruling of the Chairman that this issue is within the jurisdiction of this Panel. This issue, as presented, was not to interpret the present language, but to modify it so as to specifically exclude appearances in civil matters. Further, the matter had been the subject of discussion during negotiations. Therefore, in the opinion of the Chairman, the matter of language modification as requested by the City is properly before this Panel.

Section 30 (a) presently reads as follows:

"Any employee who is called back at any time other than during the employee's regular normal and ordinary scheduled shift, for the purpose of attendance in court or attendance at either a prosecutor's or City Attorney's office shall only be required to perform the duty or duties in court or at either prosecutor's office or City Attorney's office for which he was called back, and he shall be paid not less than two (2) hours pay, plus shift differential, if applicable, or overtime premium, as hereinbefore defined, whichever is greater."

The City contended that "when an officer testifies in a civil matter, he is not working for the police department. The City has no interest in the outcome of the matter." Therefore, the only time an officer should be compensated for court time was when he was specifically called by either the Prosecutor or the City Attorney.

The Association contended an officer should be compensated for any court time, inasmuch as almost all of his appearance stemmed from the

fact he was a police officer.

The Chairman believes an officer should be compensated for any court appearance resulting from any on-duty police work. There are occasions when this might involve a civil action. For example, if an officer was called to break up a fight, and later, one of the participants sued the other for injury, the officer might be called as a witness to testify as to who hit who. In this case the officer should be compensated, as he would not have been involved had he not been a police officer. On the other hand, if the officer was off-duty and in a bar when the fight started, and was called as a witness simply because he happened to be present, he should be treated as any other citizen witness, and not eligible for compensation by the City.

Therefore, in the opinion of the Chairman, the criterion is not whether the matter is civil or criminal, but whether the officer's court appearance stemmed from, or was the result of, the fact he was a police officer. The Chairman realizes this opinion could result in some debatable situations; however, if the parties use the criterion of "connected with his duties, or resulting from his employment, as a police officer", the questionable situations will be minimized.

At this point the Chairman will not attempt to submit specific language to cover the above intent, but remands this to the parties for development and incorporation into Section 30 (a).

COST OF LIVING ALLOWANCE

During negotiations the Association requested that a cost-of-living allowance formula and provision be included in any new agreement. However this request was withdrawn during this Hearing.

VACATIONS - Section 52

The vacation benefit schedule appearing in the last Agreement was

as follows:

- "(a) An employee earns one (1) week of vacation upon completing one (1) year of employment from his date of hire.
- (b) An employee earns two (2) weeks of vacation upon completing two (2) years of employment from his date of hire.
- (c) An employee earns three (3) weeks of vacation upon completing seven (7) years of employment from his date of hire.
- (d) An employee earns four (4) weeks of vacation upon completing fifteen (15) years of employment from his date of hire."

The Association requested that in (c) above the eligibility requirement for three weeks vacation be reduced to five years; in (d), that the eligibility requirement for four weeks vacation be reduced to ten years; and that five weeks of vacation be provided for employees with over fifteen years of service. The Association stated that four employees would benefit from the eligibility change in (c), one employee from the requested change in (d), but as no officer had been employed for 15 years, no one would be eligible for 5 weeks at this time.

The City contended the present vacation schedule should not be changed because "the vacation benefits received by the employees of the Cadillac Police Department are comparable to those received by employees in other communities in Northern Michigan and other employees of the City of Cadillac."

After reviewing the majority of vacation programs outlined in the P.O.A.M. 1974-1975 Wage Survey, the Chairman concludes the present Cadillac Police Department vacation program is reasonably inline, not only with communities in Northern Michigan, but comparable communities throughout the State. There are a few that offer greater vacation benefits, particularly among the larger cities, but overall Cadillac compares very favorably.

Therefore, it is the finding of the Chairman that the present Cadillac Police Department vacation schedule remain as set forth in Section 52 of the prior Agreement.

HOSPITALIZATION

The Association's last-best offer of settlement on this issue was submitted on both a one year and two year basis. The two year offer was as follows:

"A. Provide fully paid Blue Cross-Blue Shield, Dental and Optical Coverage for all future retirees and their spouse. Such coverage to remain the same as for patrolmen.

B. City to provide a self-insured dental program wherein it pays 50% of an employee's and dependents dental expenses up to a maximum of \$100 per employee and family per year. This coverage to end on 1/1/75 when the coverage set forth in Paragraph C. below is provided.

Second Year

C. Provide fully paid Delta Dental Plan of Michigan for employees and dependents. Coverage to be Class I and II benefits, no deductible, with a \$400 maximum per person. Monthly rates for such a program are:

<u>Class I</u>	<u>Class II</u>	<u>Employee Only</u>	<u>Employee Plus One</u>	<u>Employee Two or More</u>
50/50	50/50	\$5.02	\$ 9.86	\$ 13.63

D. Provide fully paid Eye Examination and Optical Service Expense Benefits for all employees and dependents. Monthly rates for such a program are (See Exhibit a attached hereto):

	<u>Single</u>	<u>Family</u>
Regular	\$1.75	\$ 6.00

E. All other demands in Exhibit A-22 are withdrawn without prejudice."

The City's last-best offer was:

"The Employer shall provide the employee and his dependents with Comprehensive Blue Cross MVF-1 Blue Shield hospitalization insurance with Master Medical while he is employed by the City. The City will pay all premiums that are required up to a maximum of sixty dollars (\$60.00) per month for each employee and his dependents. Any premiums exceeding sixty dollars per month shall be borne by the employee."

In reviewing the matter of hospitalization insurance, the Chairman had considered the entire matter as one economic issue.

The City contended the offered coverage was comparable, and that the \$60 per month limitation was a reasonable figure. The City stated: "The present monthly premium for the proposed hospitalization insurance is approximately fifty-four dollars (\$54.00) a month. There is considerable room for adjustment in the premium rates before any of the employees will have to bear any of the cost of premiums. The same proposal was accepted by the employees of the Cadillac Fire Department."

Further, that none of the cities used as comparable communities, either in Northern or Southern Michigan provide optical, dental and prescription coverage, and the Association's request is "completely out of line."

The City also contended the Association's request for retiree coverage was in excess of that provided in comparable communities, and not a benefit currently supplied to any City employees. Further, that: "the matter of retired employees' benefits is not a mandatory subject of bargaining because retirees are not 'employees'. As health insurance benefits for retirees is not a 'term and condition of employment' the arbitration panel should not grant to the Association a proposal which is not a mandatory subject of bargaining."

The Chairman found it was almost impossible to conduct a comprehensive survey of comparable communities' hospitalization programs. He did find there are substantial variations in coverage, benefits, limitations, carriers, and the amount of participation, if any.

However, a comparison of the Association's proposal with those programs to which he had access, leads to the conclusion that the Association's hospitalization insurance request was extremely ambitious. The proposed extent of optical and dental coverage is most uncommon in the police departments of communities the size of Cadillac, or even larger. Further, the Chairman could not find one instance where retired employees were

covered to the degree set forth in the Association's request.

On this basis, the Chairman finds the hospitalization proposal submitted by the Association to be in excess of the norm, both in comparable public areas, and in the local private area.

Therefore, the Association's proposal is denied, and the last-best offer of the Employer is accepted.

WAGES - Section 73

Section 74 of the Agreement under which the parties last operated provided as follows:

"Commencing January 1, 1973, the following annual salary scale shall be paid for the classifications indicated:

<u>Classification</u>	<u>Start</u>	<u>After 6 Months Service</u>	<u>After 1 Year Service</u>
Patrolman	7325	7650	7975
Sergeant	-	-	-
Policewoman	5700	5850	6000
.			

<u>Classification</u>	<u>2 Years</u>	<u>3 Years</u>
Patrolman	8275	8625
Sergeant	-	8937
Policewoman	6200	6698"

In addition to the above, Section 59, provided for a Gun Allowance of \$ 110.00 per year, and Section 60, provided for a "Cost of Living Allowance" of 10¢ per hour for all hours worked. Also, a clothing cleaning allowance of \$ 150 per year, and a uniform maintenance consisting of a \$100 per year credit against uniform purchases is provided. However, these last two items are not pertinent in the calculation of wages, as neither party included them in their demands.

The Association's last-best offer on wages for a two year Agreement was as follows:

<u>1/1/74 to 1/1/75</u>					
<u>"Classification</u>	<u>Start</u>	<u>After 6 Months</u>	<u>After 1 Year</u>	<u>After 2 Years</u>	<u>After 3 Years</u>
Patrolman*	\$8407	\$8765	\$ 9122	\$9452	\$9850
Sergeant	-	--	--	- -	10170

<u>1/1/75 to 1/1/76</u>					
<u>Classification</u>	<u>Start</u>	<u>After 6 Months</u>	<u>After 1 Year</u>	<u>After 2 Years</u>	<u>After 3 Years</u>
Patrolman*	\$9026	\$9410	\$9793	\$ 10148	\$ 10575
Sergeant	-	--	--	--	11095

* Policewoman to receive same wages and other benefits as a patrolman. The above rates include the gun allowance (\$110) and the so-called "COLA" (\$ 208). These items are folded in."

The City's last-best offer for a two year period was as follows:

" City's Offer:

Effective January 1, 1974:

<u>Classification</u>	<u>Start</u>	<u>6 mos.</u>	<u>1 yr.</u>	<u>2 yrs.</u>	<u>3 yrs.</u>
Patrolman	\$ 8343	\$ 8668	\$ 8993	\$ 9293	\$ 9643
Sergeant	-	-	-	-	9955
Policewoman	6479	6679	6879	7079	7577

Effective January 1, 1975:

<u>Classification</u>	<u>Start</u>	<u>6 mos.</u>	<u>1 yr.</u>	<u>2 yrs.</u>	<u>3 yrs.</u>
Patrolman	\$ 9008	\$ 9333	\$ 9658	\$ 9958	\$ 10308
Sergeant	-	-	-	-	10620
Policewoman	7009	7209	7409	7609	8107"

In prior years, the base salaries of the Police Department were augmented by several special allowances including a gun allowance and a cost-of-living increment in the amount of 10¢ per hour. The gun allowance amounted to \$110 per year, and the cost-of-living allowance is estimated as producing roughly an additional \$ 208 per year. Both

parties agreed these two items should be included in any future base salaries. Therefore, the last-best offer of both parties included the cost-of-living and gun allowance.

In order to draw any comparisons between the 1973 wage levels and the parties' proposals, the above two items had to be included in the calculations. Therefore, \$ 318 dollars per year was added to the 1973 base figures when the Chairman analyzed the parties' offers.

This analysis indicates the Association's proposal amounts to a 10% increase the first year, and a 7% increase the second year. However, the City, in its proposal, added a flat \$700 the first year, and \$665 in the second year. Percentage wise, this amounts to from 9% to 8% through the salary range in the first year, and from 8% to 7% in the second year.

Over a two year period, the Association has asked for an increase of 18%, and the City's flat dollar offer amounts to from 17% in the lower range to 15% for "after 3 Years".

The Chairman was quite surprised to find that the parties were this close in their last-best offer, and they must be commended for their realistic approach to the problem.

In reaching his conclusion, the Chairman accepted the complete wage proposal as a single economic issue, and considered wages in comparable communities and counties, both locally and in the Lower Peninsula; wages in the private sector locally; overall benefits currently received or awarded as a result of this arbitration; the change in the cost of living; and other factors which the Chairman deemed pertinent.

The Chairman agrees with the City's argument that trying to compare salary levels of police personnel in the various cities is very difficult, and can often be misleading. Various "add-ons" are applied to augment

income, and there is no pattern to either their amounts or application. In addition, wage increases may be applied at anytime during the year, depending upon contractual requirements and/or a particular city's fiscal year, making any wage survey obsolete before it is published. Because of these reasons, the City contended any wage comparisons should be confined to the conditions existing as of January 1, 1974, inasmuch as any wage settlement in this case would be retroactive to that date. The Chairman agrees with this position in principle, but does not feel that any wage increases applied during 1974 can be completely ignored. Granted, a substantial number of communities have a fiscal year that ends on June 30th, and as a result many wage increases are applied at that time. However, it is still a moot question whether this makes Cadillac, whose fiscal year ends on December 31st, six months ahead, or six months behind, when making wage comparisons. Therefore, as stated, the Chairman did take into account the various wage increases that became effective during mid-1974.

Also in these comparisons, because of the "floating" nature of Cadillac's population that was reviewed earlier, the Chairman did not restrict himself to cities of 10,000. Significantly larger cities were excluded, but he did include cities with a population up to 14,000.

Of considerable influence on the Chairman's conclusion in this matter of wages, was the increase in the cost-of-living. According to the 1967=100 Index the All Cities level for January 1974 was 139.7. The August 1974 figure, the last month available, was 150.2, or about a 7½% increase through the first eight months of this year. The 1957-59 Index differential produces approximately the same percentage. On this basis, the Association's proposal would produce an actual purchasing power increase for 1974 of 2½%, and the City's proposal, an increase of between ½% and 1½%.

The Chairman's calculation under his comparison analysis indicates the Association's proposal would produce a wage level at Cadillac of

roughly \$100 per year above the mean, and the City's proposal about \$100 per year below the mean. These figures are for 1974.

Considering the cost-of-living increase already recorded, and the potential for further increases during the remainder of the year, plus the relatively minor differences in the parties' proposal, it is the finding of the Chairman that the last-best offer submitted by the Association is the one to be effective in this Agreement.

However, there is one question that did give the Chairman some additional concern. That is the very substantial increase that the Association's proposal would provide the policewoman. According to the Chairman's calculations, this would amount to an annual increase of 40%, a very hefty increase from any point of view.

According to the testimony the policewoman at Cadillac is a bona fide police officer - is armed, handles all female prisoners, and could be subject to most all the duties and responsibilities of a policeman. The fact she is assigned to do a considerable amount of office work is at the sole prerogative of the City, and not because she is unqualified to perform more of the regular police duties. These duties could be added at anytime at the sole discretion of the City.

Therefore, it is the opinion of the Chairman that the policewoman should be on a salary level equal to that of a policeman. As this has not been true in past years, the 40%, although substantial, is necessary to bring her in-line with the police officer's salary level.

In summary, on the salary issue, the Chairman finds the last-best offer submitted by the Association to be reasonable, and from all points of view, reflective of the most appropriate amount of wage increase for the period January 1, 1974 to December 31, 1974, and from January 1, 1975 to December 31, 1975.

The Chairman does not believe it necessary to summarize his findings on each of the issues, as he believes they are clearly defined in this opinion. However, if the parties feel further clarification is necessary on any issue or issues, the Chairman will further detail his position (s) upon joint request.

Samuel S. Shaw,
Samuel S. Shaw, Chairman
Grand Rapids, Michigan
October 18, 1974