12/9/85 ARB

STATE OF MICHIGAN

Department of Labor

Employment Relations Commission

Arbitration Under Act 312

(Public Act of 1969 as amended)

Michigan State University
LABOR AND INDUSTRIAL
RELATIONS LIBRARY

In the matter of

City of Detroit

and

Detroit Police Lieutenants and Sergeants Assn.

MERC Case No. D83-B487

Detroit, City

Award of Panel on Economic Matters

Panel Member Richard Strichartz, Chair

Mark Ulicny, City Delegate

John Lyons, Union Delegates:

STATEMENT OF PROCEEDINGS

Following collective bargaining negotiating sessions which left many issues unresolved, on July 1, 1983, the Detroit Police Lieutenants and Sergeants Association (hereafter referred to as LSA or Union) filed for arbitration under Act 312 with the Michigan Employment Relations Commission regarding a dispute with the City of Detroit (hereafter City of Employer). The dispute involved wages, hours and conditions of employment.

At the first meeting on January 9, 1984, the parties agreed to the procedure to be followed. The Chair was notified that John Lyons would represent the Union and the City eventually designated Mark Ulicny as its delegate to the Panel. The Panel met for a total of 62 hearings between January 9, 1984 and May 9, 1985. At the last meeting a calendar for submission of last offers on each economic issue was established and the parties were given time to file a brief on the economic issues and a reply brief followed by a brief by each side on non-economic issues. It was proposed that the panel issue separate awards for the economic issues and the non-economic issues.

Of significance to this proceeding was the concurrent proceedings involving the Detroit Police Officers Association (hereafter DPOA) and the Detroit Firefighters Association. The economic award in the DPOA case, MERC Case D83 B-596, was issued on June 7, 1985, and the Panel was requested by the City on June 18, 1985, to take judicial notice of the

award and/or receive it into evidence because: (1) The wage and benefits of the two bargaining units have been interrelated historically; and (2) Many of the City's last offers of settlement are predicated upon the results of the award. (Brief of City, pp. 2) The Panel members concurred in this request and the DPOA economic award has been considered in connection with the matters presented to the Panel wherever appropriate. A similar request regarding the Detroit Firefighters award issued on July 8, 1985, on economic and non-economic issues has similarly been considered.

The Union requested that the Panel take judicial notice of the settlement arrived at in the labor dispute between the Detroit Federation of Teachers and the Detroit Board of Education. The City objected to consideration being given to this document by letter dated September 17, 1985, and the Panel agrees that it is not relevant since teacher salaries were never submitted as comparables during the course of the extended proceedings.

At the initial session the parties agreed to present to the Panel the economic and non-economic issues as agreed upon by them. During the proceedings a number of issues were withdrawn, agreed to by the parties, or modified. As a result of this cooperation the number of issues was reduced very considerably.

Applicable Statutory Criteria

Section 8 of Act 312 provides:

> "At or before the conclusion of the hearing held pursuant to section 6, the arbitration panel shall identify the economic

issues in dispute, and direct each of the parties to submit within such time limit as the panel shall prescribe, to the arbitration panel and to each others its last offer of settlement on each economic issue. The determination of the arbitration panel as to the issues in dispute and as to which of these issues are economic shall be conclusive. The arbitration panel, within 30 days after the conclusion of the hearing, or such further additional periods to which the parties may agree, shall make written findings of fact and promulgate a written opinion and order upon the issues presented to it and upon the record made before it, and shall mail or otherwise deliver a true copy thereof to the parties and their representatives and to the employment relations commission. As to each economic issue, the arbitration panel shall adopt the last offer of settlement which, in the opinion of the arbitration panel, more nearly complies with the applicable factors prescribed in section 9. This section as amended shall be applicable only to arbitration proceedings initiated under section 3 on or after January 1, 1973."

Section 9 of Act 312 provides:

"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 these 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."

The Chair is very much aware of the specific requirements of these sections and together, with the other members of the Panel, has given due deliberation and weight to them in accordance with the expressions by the Michigan Supreme Court in the DPOA case, 408 Mich. 410 (1980).

The panel identified the economic issues based on the stipulations of the parties. This matter involves a contract dispute concerning the terms of the contract between the City and the Union which expired June 30, 1983. The parties agreed to an extension of time for the Panel to arrive at its award. The economic briefs were mailed to the Panel members on

July 8, 1985, and the economic reply briefs were mailed to the Panel members on July 19, 1985. The 62 transcripts of the record fill two filing cabinets and the more than 500 exhibits overflow 3 cardboard file boxes. There is no question that each side made a full and complete presentation on each issue. The Award of the Panel on economic matters has taken into account the very complete record.

The City divided up its last offers of settlement as to economic issues into two general areas. The first section contained 27 issues relating to health insurance, various pension benefits, longevity, death benefits, and extensive sick leave proposals. During the discussions by the panel the parties settled City I-16 through I-27 and this agreement is made part of this Award.The second general area contained 19 issues relating to wages, differential, cost of living allowance, pensions, pay-offs for accumulated time for duty disability retirees, sick leave pay-off, vacation method of payment, and uniform cleaning and clothing allowance.

The Union in its issues 1 through 19 parallels the City's issues contained in the second general area. In response to the City's position on wages for each of the three years of the contract, differential for each of the three years of the contract, and cost of living for each of the three years of the contract, the Union rejects the City's position and reiterates its own last offers. As to death benefits and life insurance, City issue I-13 (Union ref: City Issue No. 1), the Union rejects the City position and proposes an alternative. On longevity benefit levels City Issue I-11, the City adopted the DPOA Award which improved the

schedule of payments. Although the Union said it wishes to continue the status quo on the pension issue for 40 and 8 vested pensions, it suggested some additional language be inserted in the contract. City Issue I-9; Union reference, City Issue No. 13; the same position is adopted on City issue I-10; Union reference, City Issue No. 14. What the Union has labeled as City Issue No. 15 through 32 is the cause of some confusion as to what the parties were referring to in their discussion and is clarified below. The remainder of the Union's position on what it characterizes as City Issue No. 33 through 51 are referring to City Issues I-14 through I-27.

In considering the City's position on this wide variety of issues, the acceptance by the City of the parallel disposition in the DPOA award tended to simplify many of the issues and resolve them when that award continued the status quo and paralleled the demand by the Union to maintain the status quo.

The panel held nine executive sessions to deliberate with great care on the economic issues facing it. There was much give and take and the discussion was most helpful in clarifying even further these matters. The Chair is grateful to the panel members for their active and intelligent participation in the decision making process. The specific positions on the issues are noted following each issue.

Issue No. 1. Wages July 1, 1983-June 30, 1984

> The City "proposes that any salary adjustments be made only by application of existing LSA percentage differential salary relationships to the maximum

DPOA wage rate for the title Police Officer (Classification Code #33-10-11) as awarded in the current DPOA - City of Detroit Act 312 proceeding."

The Union demand for "Base Salary (a) Effective July 1, 1983 the salaries for all employees shall be increased by 4% over that being paid effective June 30, 1983.

This provision shall be retroactive to July 1, 1983."

Section 9 criteria:

(a) not applicable

(b) none

(c) The interests and welfare of the public and the financial ability of the unit of government to meet these costs.

This issue was treated extensively both in the brief of the City, in the extensive testimony it presented, and in the various exhibits it submitted to buttress its case.

The briefs recited the history of collective bargaining in the city and with this union and the other uniformed unions representing the police officers and fire- fighters. Further, much was made of what was considered an historic agreement with AFSCME and other city unions not included in the uniformed services. This agreement spelled out a mode of sharing increases in the funds available to the city from what was called an Equity Formula. (See DPOA Award Appendix 2, pp. 44-48) The Equity Formula was criticized by the DPOA panel (in its discussion of the second year wage proposal) since inter alia, it is under complete control

of the employer. That panel also suggested a modification in the Equity Formula to reflect earmarked tax revenue such as the utility tax revenues saying: "There is considerable merit in establishing a relationship between revenues received and the size of a wage increase. This is analagous to profit sharing in the private sector." (DPOA Award, pp. 39). For the third year DPOA Award that panel rejected the Equity Formula (pp. 40).

The DPOA award for the first year took into account the pension improvement as well as the denial by that panel of cost sharing for hospitalization and medical insurance premium increases. Further, it recited the condition of the City's General Fund for the period from Fiscal Year 1974-75 through 1983-84. (DPOA Award, pp.34)

Similarly, the City made an extensive record showing the decline in the population from 1950 to 1980 of 35% (City Exhibits 221,222,223,234) with the most precipitous decline in the period since 1970-1980 of 25%, so that the total population has shrunk from 1,838,500 in 1950 to 1,139,526 in 1982. At the same time, the metropolitan area has increased in population. Thus, the share of metropolitan area population now stands at only 30% of the regional population. Concommitantly, the numbers of residents on some form of public assistance now exceeds 400,000 and constitutes 35% of the city's population (Tr. LX, pp. 42-44, City Exhibit 228). Detroit now ranks as second among the 56 cities ranked by the Joint Economic Committee as the neediest of American cities (Tr. LXII, pp. 24, City Exhibit 240).

Parallel analyses were made of the reduction in the job base in Detroit (Tr. XL, pp. 27-31, Tr. LXII, pp. 21, City Exhibits 222, 240, 241, 243), decline in the local tax base on property and a reduction in the numbers paying income tax--both residents and non-resident (City Exhibit 372, TR. XLV, pp. 18-19; 83-89; Tr. XLVII, pp., 83-97; Tr. LX, pp. 13-14;32; Tr. XLIII, pp. 22; Tr. XL, pp. 35, 38; Tr. LI, pp. 10-11, City Exhibit 227, 372). The relative tax effort of the city has increased from 2.8 times the average tax for all cities in the State to 6 times the average, and an Advisory Commission on Intergovernmental Relations study showed that Detroiters with incomes over $25,000 have the heaviest tax burden of major city residents in the United States (City Exhibit 253, Tr, XLV, pp. 22-23).

At the same time there has been great uncertainty added to the external revenues sources with the change in federal policies and the roller-coaster economy which has characterized Michigan's economic fortunes in recent years. Even with the increase in state revenue sharing, the decline in funds available from a variety of federal funding sources has been dramatic in its impact on Detroit with these funds declining as a share of the city's operating costs from 27% to 12% in 1984-85 (Tr. XLII, pp. 22,23; Tr. LI, pp. 12-14; 25-36; Tr. XLIV, pp. 110-111; Tr. XLII, pp. 6-7, 98; Tr. XLV, pp. 65-68; Tr. L, p. 13; City Exhibit 225, 241, pp. 18, 340, 355-358). And the future reduction in federal funds seems fairly predictable (Tr. XLIV, pp. 65-68; 96-7; Tr. LI, pp. 25-36; Tr. XLII, pp. 23; TR. LV, pp. 15-16, 31; City Exhibit 255, 340, 356, 358, 372).

Over the years the City of Detroit has suffered deficits which under the law have to be financed in the next fiscal year. In order to achieve these goals the City was required to lay off employees. Included in this group was a substantial number of uniformed employees, with the greatest impact falling upon newly hired or recently hired police officers. Over the same course of time there has been a reduction in the number of members of the LSA from approximately 1,300 to just below 1,000. This has meant that the supervisory burdens have been increased even though there has been a reduction in the number of police officers.

In the decision by Judge Gilmore, in order to comply with the affirmative action goals which it had set, the City was required to rehire a number of police officers who had been laid off (City Exhibit 348a and 348b). The City has indicated that it will comply with the order and has also suggested that if the financial situation permits it, the City will expand the number of police officers in order to increase the protection of the citizens of Detroit (Tr. L, pp. 44-53, City Exhibit 349).

Counter-balancing these factors is the strong economic recovery of the Detroit area which is reflected in the testimony of Walter Stecher that the City anticipates ending this fiscal year with a $35,000,000.00 surplus. In his State of the City message, Mayor Colman Young, made much of the economic recovery and declared that the City was on its way back. In its brief the City makes much of the requirements under the Gentile-Yank decision which has imposed the requirement that the City fund the pension system in order to take into account various fringe benefits which were not included in its contributions. The dimensions of the impact of

that award on the pension system and the contributions required by the City are not at this point readily subject to computation.

In the face of a surplus and a record that discloses that there were give-ups, not only by general City employee unions, but also by the uniformed services, account must be taken in this award of the impact of the economic recovery and the need to assure that City employees will share in that recovery, including the uniformed services.

The financial ability of the unit of government to meet the cost under the award in the DPOA contract is apparent, not only for the fiscal year July 1, 1983 through June 30, 1984, but also for the subsequent fiscal years covered by this contract; Year 2 being July 1, 1984 through June 30, 1985; and Year 3 being July 1, 1985 through June 30, 1986. The City has the funds, the City can make provision to pay this award, and the City, as far as the first two years of the DPOA award, agreed that 3% would be fair for the first year, and .3% in the second year would be consistent with what had been agreed to by the other general City employee unions. It was only in the third year that the Kruger panel awarded 4% instead of the employer's proposed 2%. The financial ability of the City to meet the costs of this Award is, based on this record.

Despite a very substantial record, which included agonizing detail concerning the equity formula, the City in its last best economic offer held out the need to maintain the differential by having this panel issue its wage award based upon the DPOA award.

The panel is in accord with the City's proposal to use the DPOA wage award even though it arrives at that conclusion with some reluctance. The comparables in other communities, which will be delineated below, does indicate that the members of this bargaining unit are not at the top even though the union made much of the special burdens placed upon those who served in the supervisory capacity in the Detroit Police Department. In other sections of this award we depart from the DPOA award, the reasons for which are explained in those sections. However, as to the wages for the period from July 1, 1983 through June 30, 1986 we adopt the DPOA award and maintain the differential which is established in the contract in Article 54 and is spelled out in greater detail in the provisions on the differential in order to take account of the new position of Police Investigators. See below, discussion of Union issues #4,5, and 6.

(d) Comparison of the wages, hours and conditions of employment of the employees involved in the arbitration proceding with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally.

Union submitted as its comparable communities regarding public employment six Michigan cities, they are: Ann Arbor, Flint, Pontiac, Southfield, Sterling Heights and Warren (see Union Exhibit 78 and 79). In making its points about the comparables in Michigan, the Union made much of the location geographically in the Detroit-Flint-Saginaw industrial corridor. Many of them are not only close to the City of Detroit, but

have similar industrial components of their economy based upon the automobile industry. According to Union Exhibits 110 and 111, they have higher wage structures then the City of Detroit.

Since the City of Detroit had suggested, albeit reluctantly, Pontiac, Saginaw and Flint, the Union agreed with them as Union comparables for the reason that the Union believed that they were all cities with higher wage structures than the City of Detroit.

The national comparables, which the Union suggested, Chicago, Los Angeles, Miami, New York City, Oakland, California, Toledo and Washington , D.C.,were suggested as being comparable because the wage structures are similar to or higher then Detroit. The City of Detroit, on the other hand, selected Cleveland, St. Louis, Baltimore, Pittsburgh, Philadelphia, Boston, and Milwaukee and did so for the reason they felt the population, population loss and regional identification was appropriate, among the 17 reasons for the selection. (Tr. XXV, pp. 9-12; 26-27; Tr. XXIX, pp. 8-14, City Exhibit 101)

It seemed to the panel that each side went through the process of identifying the cities which would most support the views that they were suggesting and, therefore, determined which cities should be included and which should not. The issue of comparability is a difficult one at best since we are talking about matters of incidence of crime, concentration of population, fringe benefits which are extremely difficult to compare and other conditions which make embarking into this thicket a difficult one.

The panel has considered all of the cities in terms of comparability, although it recognizes the uniqueness of Detroit within the State of Michigan, and the special position Detroit has in any national comparable in view of the extended recession/depression which has existed in this State for some considerable time. It still feels that the DPOA award as it relates to wages, fairly reflects the other factors that must be given great weight and has considered the comparables, but does not feel that they are decisive.

In the DPOA award, the Kruger Panel did take account of internal comparability and gave weight to the relationship between the internal city employees wage and benefit structure and that of the police officers. Just as it is not possible to consider merely external comparables, it is just not possible to exclude internal comparables.

However, the Union takes issue with the internal comparability by pointing out that it is most difficult to compare the work of police officers and, specifically, the supervisory members of this unit with that of city employees. The panel acknowledges that difficulty, but still recognizes that some relationship must be kept between management functions of other city employees and the pay schedule for managers and members of the LSA.

The distortion complained of is not solely the result of negotiations, settlements or awards involving this unit. The differential between police officers and LSA members has resulted in the supervisors in this unit receiving more in total compensation than Deputy Directors or equal to

Directors of departments with many, many more persons to supervise than LSA members (Tr. XLVII, pp. 49-61, City Exhibits 319-324).

We recognize that Act 312 Awards and the impact of the differential has contributed to the distortion complained of by the City. In many ways, of course, Act 312 Awards recognize the special situation of police officers and, subsequently through the differential applied to members of this bargaining unit, and has provided an award commensurate with the views of those panels. It is apparent that the DPOA Award, which the City urges upon this panel as it relates to the wage factors for the years 1983 through 1986, maintains these same distortions. It seems ill-advised for the City in one breath to complain of the distortions and in another to urge the panel to adopt the DPOA Award.

(e) The average consumer prices for goods and services commonly known as the cost of living.

Consideration of cost of living must also take into account Union Issues 7,8, and 9 covering the period from July 1, 1983 through June 30, 1986. The Union points out that it has lost substantial sums of money which it would have received if a cost of living allowance had been in effect and this amounts to approximately $5,423.60 (Union Exhibit 131). The City, countering that provision, points out that as a result of the prior negotiations leading to an increase in the differential, the cost of living provision in the contract which presently is there but is not in effect, was suspended in order to assure that there would not be further layoffs. The earlier provisions of contracts containing COLA was found

in the 1971 through 1974 agreements with AFSCME. The City, having had three years experience with the administration of the COLA provision, agreed in 1974 to apply the COLA provision to uniformed and civilian employees (see City Exhibits 152, 153, and 154). The difference between this COLA provision and the UAW COLA provision simply was that the amount in excess of $.20 per hour generated by the COLA provision is rolled into the next years base rate. The unpredicted escalation of personnel services cost as the result of the application of the COLA provision led to a great many layoffs. Despite an attempt by the City to change the COLA provision for the uniformed services, the Act 312 arbitration panels did not remove COLA. This generated a great deal more of pay increases by applying the COLA formula to the uniformed services (see Tr XXX111, pp. 68-82). Layoffs continued as a result of the wage increases based on COLA during an inflationary period, while at the same time the City was in a recession, created horrendous problems.

The Union insists that inflation has had an impact upon their members and continues to do so and that their wages were eroded from the period 1980 to the present by more than 32%.

The past has taught that a COLA formula of this nature unrelated to the City's revenues creates a very special problem when general city employees accept the elimination of the COLA and the uniformed employees have it continued. There was a recognition in the 1981 compromise agreed to by the parties of the problems created by this COLA formula and it was suspended during the term of this contract. It would appear

unwise to reinstate the cost of living formula and it should be noted that it has been modified in other collective bargaining arrangements with other communities as well as in the private sector.

The City is the beneficiary of the improvement in the private economy through additional taxes that are generated. However, there is no direct correlation between cost of living and revenues. The wage award found in the DPOA agreement and carried over by this panel, as well as the requirement that the City continue full payment of hospitalization, and a modification in the longevity formula which recognizes services by these officers, and other modifications in the contract provided in other provisions by this panel, has to some extent taken into account the impact on the members of this bargaining unit of inflation. It would be unwise when inflation appears to be moderating for a COLA provision to be reinstituted in this contract. The panel, therefore, rejects Union's proposals found in Union Issues 7,8, and 9 and does not grant the cost of living allowance requested in those issues.

For the record the panel has considered with respect to Union Issues 7,8, and 9 all of the other applicable factors under Section 9 of the Act which apply and has determined that the COLA provision should not be granted.

(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, fact-finding, arbitration or otherwise between the parties in the public service or in private employment.

The Union believes that with respect to the "other factors" the panel should take into consideration the productivity of members of this unit. Their testimony indicated a drop in the number of supervisory employees in this unit of about 35% (see Union Exhibit 44), but also that crime problems including investigation, workload, etc., has remained high (see Union Exhibit 60-75). While there is a recognition that the members of this unit have had to work under trying circumstances, similarly the reduction in the general City payroll has imposed increased demands upon the employees who remain. This unit is not unique in that regard and, although the testimony dealing with the extra time worked by members of this unit in order to get their job done, (see Transcript XV, pp. 45-64) the same sort of thing may have been going on in the other employee groups although not perhaps with the same dedication that was presented in the testimony.

This is the only matter which the Union considered as one of the "other factors" and, while the panel is understanding of the added burdens, we do not feel it should be recognized in this award beyond the extra consideration which has been given to this unit.

(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

The Union has indicated that the change in circumstances which it would like the panel to take special note of relates to the improvement in the City's fiscal position from a deficit position to the realization of a substantial surplus.

The panel has considered this in its consideration of the wage awards and the other economic awards contained herein as it relates to the ability of the City to pay and such other matters. We do not feel that the change is of such a quality that it should be considered as an additional change which has departed dramatically from the testimony and other evidence received by this panel.

(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.

The City offered testimony with regard to the total compensation which excluded overtime premium, holiday premium, shift premium, uniform allowance and cleaning allowance and found that the minimum for a sergeant was $54,789.00 with the maximum being $56,446.00 and for a lieutenant $61,002.00 minimum and $62,659.00 maximum (Tr XLV1, pp. 79-81. Tr XLV11, pp. 16-91. City Exhibit 275). The City labor relations analysis was different then the budget analysis because it included those benefits referred to above which are excluded from the budget estimates, and Mr. Fred Wutzke, labor relations specialist for the City, concluded that the average LSA bargaining unit member receives

$65,041.46 (Tr XXVII, pp. 66-134. Tr XXVIII, pp. 3-61. City Exhibit 108-A, 109-A, 109-B and 110).

It is appropriate to consider as a major cost of total compensation the pension factor which was in the order of 57.53% of payroll. The Secrest Committee, which was formed when the City was in its financial crisis, (see City Exhibit 1, p. 31) makes specific reference to the high cost of the pensions paid to the uniformed services. In some measure this was the result of the automatic post-retirement increases, and even so Detroit's uniformed pension costs are 22% higher then the average for all cities while the employee contributions are lower then the cities compared. The Gentile-Yank decision which the City noted created additional problems for it, will require the City to include in its pension calculations other fringe benefits which had not been included in that determination (Tr XLIV, pp. 4-6. Tr LX, pp. 107-109).

Thus, the panel has given weight to the total compensation picture in its determination of wages and other matters which go into the consideration of total wages.

Award: Union 1,2,3; City II-1,2,3 for the period July 1, 1983-June 30, 1984; City Issue II-1 granted; July 1, 1984-June 30, 1985; City Issue II-2 granted; July 1, 1985-June 30, 1986; City Issue II-3 granted; Union 1,2,3, denied, Lyons dissents.

Differential July 1, 1983 through June 30, 1984

Differential July 1, 1984 through June 30, 1985

Differential July 1, 1985 through June 30, 1986

These issues are raised as Union Issues 4,5, and 6 and City II 4,5, 6. The City requested that the status quo be applied, but the Union has suggested that the differential be maintained with the exception of the addition for each one of the years of the following language; "police investigator 10%."

"No police investigator currently a member of the Lieutenants and Sergeants Association bargaining unit, shall suffer any reduction in salary or current differential as a result of the execution of this agreement."

With regard to the remainder of the existing differential schedule contained in the current contract both the Union and the employer are in agreement that the percentage differential shall remain the same and applied as in the past to the maximum salary of police officer.

Award: The language contained in Union Issue 4, Union Issue 5, and Union Issue 6 and attached herewith is made applicable to this agreement and the Union's language is awarded and adopted unanimously.

In considering all of the aspects of the statutory requirements, it is quite obvious that the parties are in agreement with regard to maintaining the differential. The difference is that the Union has insisted on

including language which relates to the new position of police investigator. It is quite obvious that this new position demands that special attention be given to it by including language in the contract which defines the relationship of the pay schedule for the police investigator as it relates to the maximum salary of police officer and also relates to the police sergeant and police lieutenant. The language adopted also includes the requirement that in each case the provision shall be made retroactive to July 1, 1983, with respect to Union Issue 4, retroactive to July 1, 1984, with respect to Union Issue 5, and retroactive to July 1, 1985, with respect to Union Issue 6.

While this new position of police investigator was only adopted during the course of the proceedings, the retroactive language is granted even though it may have limited applicability to those who are included within the term police investigator.

It seems clear that it is necessary to maintain the appropriate language of the differential and that this new position be included and that this language be made part of the contract. The provisions of the statute which apply to wages and which have been discussed before are similarly applicable in all instances to the issue of differential.

In order to assure that there is no uncertainty with respect to this issue, Union 4,5, and 6 demands are granted and City II 4,5, and 6 are denied. The only distinction is that the Union has specified the status of the police investigator and retroactivity.

Cost of Living Allowance

Union Issues 7,8, and 9 specifically refer to the demand that the cost of living allowance which has been a part of the current contract, but has been put into suspense should be reinstated with some modifications. The City Issues II 7,8, and 9 suggest that unless the DPOA is granted the cost of living allowance, this unit should not receive it. There has been a prior discussion of this matter in the consideration of the issue related to wages. As mentioned there, the issues related to wages and the discussion thereunder specifically apply to the consideration of the cost of living allowance.

Under the present circumstances, there is no reason to believe that there is any basis for the grant of a cost of living allowance in light of all the other settlements by the City with other union contracts, including contracts with uniformed employees. Therefore, this panel denies the demand by the Union contained in Union 7,8, and 9 and is in accord with the City view that there should not be any COLA granted since the DPOA panel did not grant it. To include COLA in this contract would distort the relationships between the DPOA and the Lieutenant and Sergeants Association as well as with other City employees. Therefore, the panel grants the City demand II 7,8, and 9 and denies Union 7,8, and 9. Lyons dissents.

It should be noted as a result of this decision, there will be no cost of living provision in the new contract between the parties.

Pension/Optional Buy-out

Union Issue 10 proposes a system whereby the retiree prior to when the first payment of any retirement allowance becomes normally due, to elect to receive in lieu of any other retirement allowance or pension, a lump sum payment in cash which is equal to the actuarial equivalent of the pension benefit he would have received under the system. The entitlement shall be in addition to and not a replacement for optional annuity withdrawal under Article 48 of the contract and any other benefits including, but not limited to, health insurance and life insurance which inure to a member on retirement.

As part of that suggestion there was proposed a table which would be used as a basis for computing what the retiree would receive at the time he exercised the buy-out option.

The City strongly objects to any change in the existing retirement system and asks that the status quo be maintained.

(a) The lawful authority of the employer; not in issue.

(b) Stipulations of the parties; not applicable.

(c) The interest and welfare of the public and the financial ability of the unit of government to meet those costs.

Under this heading consideration must be given to the subject of the purpose of a pension system. While there are occasions in the private sector where employees are permitted to exercise an optional buy-out of their pension and take the amount in a lump sum, no instance was cited to the panel of a public employer having granted this pension/optional buy-out. Thus, the question under this issue also merges with the issue

of comparability in public employment in comparable communities, as well as the interest and welfare of the public.

The welfare of the public, it does not seem to this panel, is well served by a provision which changes a system which has as its objective the assurance of an amount during the period of time after a retiree has left the public service and will continue to need income over the entire period of the remainder of his life. The purpose of the pension system is to achieve that objective and to assure that the retiree has sufficient funds to meet those individual requirements as well for as the members of his family. There is no purpose to be served by having persons receive a relatively substantial amount of money in one lump sum and, in return, give up all demands with respect to monetary payment on the part of the pension system.

In addition, there was very considerable doubt raised by the panel with regard to the studies that were done which was the basis for the assertion by the Union that this would be an appropriate way to proceed as far as their members are concerned.

In the Mercer Report (Union Exhibit 123) there was reference to a study of the option which would permit this buy-out as a no-cost option to the pension system. However, the testimony, it appears to the panel, was inconclusive as to whether it would be a no-cost arrangement for the City. In point of fact, the Union in submitting its last best offer, did

make some changes from what was presented to the panel during the hearings on this topic.

In making projections certain assumptions must be made as to what the cost will be to the City in future years if the retiree were to continue to draw a pension. The underlying assumptions with respect to this do have considerable variation between what the City thought and what the Union presented. Depending on who one believes, the Union's actuary testified that, based upon certain assumptions as to investment yield and wage increases, there would be no additional cost to the City (Tr. LX, pp. 36-37). The variations between the Union's actuary and the City's actuary indicates that the difference could very well be as much as $30,000,000.00 depending upon the number of retirees or proposed retirees who adopted the option (Tr. XLIII, pp. 49, 59-61). The City has labeled this proposal as follows: "This demand is dangerous!" (City Brief p. 126).

As is pointed out, actuaries do make valuations of their pension plans on an annual basis. In doing so they make adjustments to the projections made in the past which were not correct, i.e., estimations regarding investment yields, interest rates, wage increases and "other variances from acturarial assumptions." (Tr. LX, p. 98). As a result, this may require additional funding by the City or reduced funding, and in making these annual adjustments, there is assurance that there is a proper understanding by the actuary of what has happened to the pension system for the previous year.

To the contrary, however, once an employee lump sum pay-out is made, the pension system must live with the consequences of that pay-out if it means that a greater amount is paid to the retiree than is proven to be the case in future years. However, the employee similarly may be disadvantaged if the amount he receives is less than a later experience of the pension system would indicate would be the proper yield to that person.

There is too much uncertainty with regard to whether employees would be advantaged or disadvantaged and it is also inconsistent with the concept of what a pension system is all about.

(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: (1) in public employment in comparable communities. (2) in private employment in comparable communities.

The comparison does not exist for public employees and, in regard to private employment, there was little evidence which was given regarding the availability of the pension buy-out and private employees. There seems to be no basis for comparability to be applied to this issue.

(e) Average consumer prices for goods and services, commonly known as the cost of living.

Not applicable.

(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.

Not applicable.

(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

Not applicable.

(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 voluntarily collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

Not applicable.

There are other aspects to this issue related to the ability of the employee who is retiring to handle such a large sum of money; there is some question about the amount which an employee is entitled to receive and some specific concern about suits by spouses or other heirs who would be foreclosed from becoming Option 2 or 3 beneficiaries by the lump sum option and/or suffer for the remainder of their lives because of the dissipation of the family funds through poor investments or otherwise.(Tr. LXIV, pp. 58-59, 61-63, 65). There is the further issue whether if this is once granted when it would expire since all provisions of contracts subject to Act 312 continue pending negotiations or an Act

312 award in subsequent years. There is a another problem cited by the City in its brief (City Brief p. 135) as to whether there would be the possibility of removing this benefit under Article 9, Section 24 of the Michigan Constitution, i.e., once possessed, a benefit such as a lump sum option could not be diminished or impaired thereafter.

The City is, I believe, as unconvinced as the panel with regard to the Union's last best offer contained in the Union Issue #10 and the formula which is set forth therein.

Award: For the above reasons, this Union demand, contained in Union Issue #10, is denied.

Lyons dissents.

Pension-25 and Out; Union Issue #11, City Issue II-11

Union Issue #11 seeks to restore the relationship between the DPOA and the LSA which has existed with regard to the pension arrangements generally. Under the Union demand, effective June 30, 1986, the requirement that a member, as defined in Article IV, Section I (D) of the Policemen and Firemen Retirement System, shall attain age 55 to be eligible for retirement shall be eliminated. Such members will be eligible to retire after 25 years of service regardless of age. In addition, the Union has provided specific language to change Article 48, Section F which is set forth in Union Issue 11. The City demands that the status quo be retained and that this 25 and out option be rejected.

As background it should be noted that the distinction between the DPOA members and the LSA members was created in 1981 when the DPOA

as part of its settlement received a contract with 25 and out as an integral part of that settlement. At that time, the LSA received an increase in differentials. The LSA has bided its time until this Act 312 arbitration in order to submit this demand to reinstate the relationship with regard to retirement which existed prior to the 1981 arrangement. While the circumstances in 1981 indicated that the DPOA wanted this retirement feature for its members, the lieutenants and sergeants wanted an increase in the differential. A 2% increase in the differential was the result of their negotiations at that time. Since that time it is felt by the Union that with approximately one-third of their membership who are under the New Plan that they should receive the same retirement option of 25 and out which is available to the DPOA. The City of Detroit objects to this Union proposal. The City instead suggests that having gotten the differential in 1981 they should not now come back and keep the differential and take the 25 and out feature too. The Union has made a strong point that the members of the DPOA who are promoted into its unit would have to give up the right to retire after 25 years of service. Instead they must wait until 55 years of age in order to retire under the New Plan. It seems illogical that a promotion should be the cause of the loss of a benefit. It is also pointed out by the Union in its brief (Union Brief p. 51) that no person in the Detroit Police Department will be eligible for a New Plan pension until 1994. It is appropriate to recognize that this inconsistency should not be sustained.

The City complaining that the Union wants to have its cake and eat it too, also says that they were not able to determine the exact cost of

the benefit, but they estimate it as an increase in pay equivalent to a 1.8% raise (Tr. XLIII, pp. 30-32. Tr. XLIX, pp. 76-77).

The other point made by the City is that the language is drafted too broadly and would apply to all members of the retirement system. It is clear to the members of this panel that the only jurisdiction this panel has is over the parties before it, so the language is to be interpreted as applying only to the members of this bargaining unit.

Statutory Factors:

(a) The lawful authority of the employer.

Not applicable.

(b) Stipulation of the parties.

Not applicable.

(c) The interest and welfare of the public and the financial ability of the unit of government to meet those costs.

The City, through its pension contributions, will clearly be able to handle the relatively small additional contributions which will have to be made in order to deal with those members of this bargaining unit who in the period from 1994 and thereafter become eligible to take retirement under this provision.

(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.

As discussed above, the comparability is essentially the comparison with the members of the DPOA who presently enjoy this benefit as a result of the negotiations in 1981. This is the primary group to whom this matter is applicable and certainly the panel must give great weight to this relationship.

(e) The average consumer prices for goods and services, commonly known as cost of living.

Not applicable.

(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.

While pensions are obviously considered within the concept of overall compensation and is so specified in the statute, the applicable considerations must be as to the relationship between the DPOA and this bargaining unit and has been considered in that light by the panel.

(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

Not applicable.

(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 voluntarily collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties in the public service or in private employment.

Not applicable.

Award: Union 11 is granted.

Ulicny dissents.

Military Service Credit Union Issue 12

The Union seeks to get military service credit for its members in order to provide the same benefit already enjoyed by members of the DPOA as well as Detroit Firefighters. City ordinance 356 (h) makes provision for military service credit to certain veterans of the United States Armed Forces. The Detroit Firefighters Association in its round of negotiations in 1981 had included for the 1980-83 contract period language involving military service credit for the Detroit Firefighters Association members.

The DPOA picked up the same benefit by agreement with the City (City Exhibit 46) (See generally Union Exhibit 127). This seems inconsistent to provide for military credit for the other two uniformed groups and not have it for this group.

The City refuses to give credibility to the Union president's testimony that he had overlooked what had happened in the round of negotiations which led to the Firefighters and the DPOA members receiving this benefit (See City Brief p. 39). It is the City's position that other improvements in the 1981 negotiation did take care of the issues sought by this Union.

The City also takes the position that this would disturb the equalibrium between the DPOA and the Detroit Firefighters Association members with the LS&A. The panel cannot give credence to this. The Union's request is appropriate on its face and should be granted.

Statutory Factors:

(a) The lawful authority of the employer.

Not applicable.

(b) Stipulation of the parties.

Not applicable.

(c) The interest and welfare of the public in the financial ability of the unit of government to meet those costs.

It is clear that there is a very minor impact of the grant to the members of the LSA of this military service credit and will not have an effect on the City.

(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 wish other employees generally:

(i) in public employment and in comparable communities.

(ii) in private employment and in comparable communities.

The comparison is essentially to be made with the DPOA members and the Detroit Firefighters Association. It is clear to the members of the panel that the members of this bargaining unit should receive this benefit as consistent with what is being granted to the others.

(e) The average consumer prices for goods and services, commonly known as the cost of living.

Not applicable.

(f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pension, medical and hospitalization benefits, continuity and stability of employment, and all other benefits received.

It is clear that this is one of the other benefits received and it is being received by the DPOA and the Detroit Firefighters Association and should be granted to the members of this unit.

(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 private employment.

Not applicable.

Award: Union 11 is granted retroactive to July 1, 1983.

Ulicny dissents.

Pension--Old Plan/New Plan Union Issue 13

In this demand, the Union is suggesting that members who are eligible to retire under the Old Plan would be entitled to switch to the New Plan. The witness, Charles Monroe, testified that except as to a very narrow class of persons, there is an actuarial gain to the City of Detroit for anybody who would switch to the New Plan. The only persons likely to benefit would be those persons having in excess of 32 years seniority and who are at least 60 years old. This would apparently apply to very few persons (See City Exhibit 121). There is some question as to whether this is a wise decision for the members to make since under the Old Plan the member receives half of the increase which is granted to the members of the bargaining unit who remain active. Thus, the difference could very well exceed the small percentage increase which is a part of the New Plan retirement program. There is no testimony with regard to the cost since that was not requested by the City.

The City opposes this option to those members of the unit who wish to make this change for several reasons. One is that the language is too broad since it is alleged that it would apply to members of the Policemen and Firemen Retirement system. It has been stated previously that the only thing this panel can deal with are the members of the bargaining unit who are before it and, therefore, we consider that the language which was submitted by the Union applies only to the members of the LS&A.

The City also says that the members had an option to make their election as to which plan to go under when the New Plan was adopted. That would provide considerably greater prescience then most of us have and would demand that they would have been able to make a judgment 15 or 20 years into the future. They would be making that judgment with regard to their retirement benefits once the election is made as to whether to take the benefits as a retiree under the New Plan or the Old Plan, but that is apparently something they are willing to do. They also point out that the Union members might be deluded into taking the New Plan believing that they will have greater benefits, but that the Union's own actuary indicates that he would be doubtful that the Union member would benefit by taking the New Plan (Tr. XL, pp. 93-94; 116-117).

Be that as it may, it seems only just that where someone has put in long service and has decided to make this option to the New Plan rather than the Old Plan that he should be entitled to do so. It is the panel's view that this Union Issue #13 be granted.

Statutory Factors:

(a) The Lawful authority of the employer.

Not applicable.

(b) Stipulation of the parties.

Not applicable.

(c) The interest and welfare of the public and the financial ability of the unit of government to meet those costs.

The costs involved would appear to be very minimal inasmuch as it would apply to a very few members and could well be absorbed by the pension system.

(d) Comparison of 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.

Not applicable.

(e) The average consumer prices for goods and services, commonly known as the cost of living.

Not Applicable.

(f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pension, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.

Obviously, since this is a matter which affects pensions directly, and is a consideration in the overall compensation, it is not possible to project what the impact of a change of this nature would have, but it would appear to be minimal.

(g) changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

Not applicable.

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

Award: Union 13 granted retroactive to July 1, 1983.

Ulicny dissents

Pension-Change of Option Union Issue 14

As is indicated by the parties this is referred to as the pop-up option which would permit a member of the retirement system whose

spouse pre-deceases them to change their option to a more advantageous option. Under the terms of the Union proposal the cost of this change would be "borne by the member."

As a result of the case of Clark v. Detroit (Union Exhibit 175) this benefit has already been in effect. However, there is a need for contract language which would support the court order.

In some ways, this is a humanitarian benefit which takes into account that although the retiree may have an option which would assure protection of his spouse, when the spouse pre-deceases the retiree there is no longer the same concern.

It seems inconsistent to permit this type of benefit for retirees whose marriages were terminated by divorce (See Union Exhibits 116-119) and this has been the practice of the pension board for over 30 years, but not to permit it to retirees whose marriage is terminated by death.

Since the Union proposal suggests that there would be a no-cost arrangement for the City, the Union urges the panel to adopt it. The City takes issue with the Union position as to the scope of the proposal which includes the term, "member of the pension system." The panel takes the same position it has on other similar issues, that is, that "member" means members of this bargaining unit. The second issue the City is concerned with is that the Union proposal is not consistent with some of the testimony by Mr. Storm, the president of the Union, who seemed to indicate that the exercise of this option must be before

receiving the first retirement check. The City takes the view that if this option were to be allowed, it should be consistent with the contract between the City of Flint and their sergeants (Union Exhibit 82) which provides that the actuarial factors are taken into account prior to the retirement. Under that contract if the member decides to reserve the right to have a pop-up option, it must be reserved as an additional option under the pension system. The Union proposal does not provide for the additional option, but it does specifically provide "the actuarial cost of the change in benefit shall be borne by the member who seeks change in his optional election." The provision is also to be made retroactive to July 1, 1983.

It seems clear that the Board of Trustees of the pension system can provide the same kind of arrangements to assure that the retiree can exercise this option either by making it a part of a new option, or if this is deemed inconsistent with the Union proposal, to permit the retiree to exercise this option to assure that there would be no actuarial cost to the system when the retiree exercises this option.

Statutory Factors:

(a) The lawful authority of the employer.

Not applicable.

(b) Stipulation of the parties.

Not applicable.

(c) The interest and welfare of the public and the financial ability of the unit of government to meet those costs.

The interests of the public appear to be in favor of a retiree having sufficient funds in order to meet his or her needs. The financial implications of granting this provision appear to be minimal.

(d) Comparison of the wages, hours and conditions of employment of the employees involved in the arbitration proceedings with the wage, 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.

In the City of Flint a comparable type of benefit is granted. This option is consistent with the present practice of the retirement system regarding other employees who are divorced. It is therefore appropriate to give consideration to those retirees who suffer the loss of a spouse.

(e) The average consumer prices for goods and services, commonly known as the cost of living.

Not applicable.

(f) The overall compensation presently received by the employees, including direct wage compensation, vacation, holidays and other excused time, insurance and pension, medical and hospitalization benefits, continuity and stability, and all other benefits received.

This is an improvement in some very slight measure in the pension system and correctly addresses a specific need that was brought to the attention of this panel.

(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

Not applicable.

(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 to voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

Not applicable.

Award: Union 14 granted retroactive to July 1, 1983.

Ulicny dissents.

Lump Sum Payment of Accumulated Time for Duty Disability Retirees. Union Issue 15

Under this proposal the Union demands that those members of the bargaining unit who are retired due to duty disability pursuant to Article VI B of the Police-Fire Pension System are to be paid for their compensatory time in their banks at the time they are retired. The present practice is for the duty disability retiree to be required to use up any accumulated time in their bank before they are permitted to start their retirement and draw a disability pension. The City objects because

they say it has the same deficiency as some prior proposals in that the term "member" seems to go beyond this bargaining unit. Again, the panel reiterates that "member" means those members of the bargaining unit before this Act 312 arbitration panel. The City further objects because the Union has failed to specify that it wishes to exclude sick time in the determination of accumulated time.

It is the panel's understanding that the term accumulated time does not include sick time. The DPOA award provided for lump sum payment of accumulated time on resignation and retirement and specifically excluded sick time. It is the panel's understanding that that is the thrust of the Union demand before this panel.

The City objects because it changes a long standing practice for both uniformed and civilian employees whereby employees used certain of their accumulated time before retiring (City Brief, p. 147). It is clear that it is the intent of this demand to accelerate the effective date of retirement so that the pension system would be required to pay the employee pension benefits immediately (City Brief, p. 147).

There is a question raised by the City with regard to the cost of this proposal and also that it would appear to be an "unconscionable windfall" (City Brief, p. 148). The Union, however, points out that out of a total of almost 6,000 persons in the retirement system covering police and fire only 405 have been retired as totally incapacitated by reason of duty-incurred disability. This would include within the total 6,000 figure, approximately 1,000 who are lieutenants and sergeants. The

panel considers the impact on the pension system would be minimal. In addition, it does not appear to the panel to be an unconscionable windfall for a person who is retired on duty disability to receive payment for accumulated time -- excluding sick time-- which that person has rightfully and properly accumulated. While there may have been a practice over many years to require this prior to being able to draw a pension, it does not appear that this practice should continue.

As noted in the DPOA Award (pp. 86 and 87) this is merely a payment to the employee of money for services he has actually rendered and is not a pension improvement. Rather it is a recognition that the duty disability retirement takes effect at an earlier date then would be permissible under the stretch-out arrangement which is the current practice. It is further noted that an employee who is required to use up his accumulated time remains on the payroll and therefore that position cannot be filled.

Statutory Factors:

(a) The lawful authority of the employer.

Not applicable.

(b) Stipulation of the parties.

Not applicable.

(c) The interest and welfare of the public and the financial ability of the unit of government to meet those costs.

There is some slight impact on the City of Detroit requiring it to make payment, but if the City feels that it cannot make this payment and hire replacements immediately, then it may administratively choose not to immediately replace the member who is put on duty disability.

(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.

Introduced in evidence was the DPOA Award which makes a direct reference to 7 cities which paid bank-time upon resignation, retirement or death; 3 paid bank-time annually and 3 agreements do not contain any provision on this topic; 1 city permits bank-time to be converted to pay for reasons of hardship upon the approval of the Chief of Police; 1 city permits pay in cash at any time, 24 hours or accumulated (DPOA Award, p. 85). Since there are other cities which do provide this benefit, there is an adequate basis for permitting a change in the current city practice on this matter.

(e) The average consumer prices for goods and services, commonly known as the cost of living.

Not applicable.

(f) The overall compensation presently received by the employees, including direct wage compensation, vacation, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, continuity and stability of employment and all other benefits received.

As mentioned in the DPOA Award this is not a pension improvement, but simply permits the employee to draw his pension at an earlier time. It is payment for services rendered. Therefore, it does not appear to be in the nature of a windfall, but a recognition that the accumulated time has been earned by the employee.

(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

Not applicable.

(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.

Not applicable.

Award: Union 15 granted with the understanding that "accumulated time" does not include sick time.

Retroactive to July 1, 1983.

Ulicny dissents.

Payment of Unused Sick Leave, Union Issue 16

The Union's proposal is to increase the payoff in a member's sick time banks. Under the present arrangement, the member can accumulate up to 250 days in their sick time banks (Joint Exhibit 3, Article 35). Under the Union's proposal the payoff on retirement would increase from 50% of the first 180 days of accumulated time to 50% of the 250 days of accumulated time, leading to an increase from 90 day payoff to 125 days. Since no change is contemplated in the amount to be accumulated in the sick banks, the effect of this proposal is an increase of 35 days in the payoff from the sick banks upon retirement.

The comparable communities referred to by the Union in Union Exhibits 124 and 125 indicates that the lump sum payment of sick leave on retirement "consistently exceed the amount paid by the City of Detroit." This panel recognizes that the DPOA panel rejected an identical demand on the theory cited by the City that the cost estimated would be $27,000.00 over a three-year period for members of the DPOA (DPOA Award, pp. 90-91). It is recognized that the members of this bargaining unit have more seniority and would have had a longer time to accumulate the maximum of 250 days in their sick banks, but there is no reason to penalize them for not using those days and, therefore, they should receive it.

This issue is also tied to City Issue 14: Sick Leave-- annual seniority bank credit, which maintains the existing contractual arrangements for 5 sick days accumulation annually, and this panel is in

accord with that portion of the Award. It should also be noted that the AFSCME bargaining unit has in their contract these same benefits which the Union has demanded here (City Exhibit 97).

As is noted this issue is tied to City Issue I-14 and also to the response by the Union which it has labeled City Issue #33 to permit a modification in the sick banks with regard to current sick bank in order to permit an unlimited accumulation of the current sick bank. The panel has indicated it is in accord with City Issue I-14 and rejects the alternative presented to that Issue in what the Union has referred to as City Issue #33.

It was noted in the City brief that arbitrator Robert Howlett in the 1977-1980 Act 312 Award improved the retirement sick leave payment by raising the cap from 60 to 90 days (Tr. XVIII, pp. 90-91). The City asserts the Union wishes to remove the cap altogether. It is not the purpose of the acceptance by the panel of Union Issue 16 to remove the cap altogether and it should be made clear that when coupled with the panel's action on City Issue I-14 the panel does wish to retain the cap, but has improved it as discussed above.

Statutory Factors:

(a) The lawful authority of the employer.

Not applicable.

(b) Stipulation of the parties.

Not applicable.

(c) The interest and welfare of the public and the financial ability of the unit of government to meet those costs.

The public interest, it seems, to the panel is served by having members of this unit not use their sick leave time, but accumulate it. It has a positive impact in that members will be performing their normal duties rather than seeking to take sick time which they otherwise might not do. The accumulation in the sick bank appears to be a legitimate arrangement and the improvement of the payoff upon retirement of these accumulated sick banks is an appropriate one.

(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.

The comparability with regard to the AFSCME contract has already been noted and the comparability with respect to other communities has similarly been noted above.

(e) The average consumer prices for goods and services, commonly known as the cost of living.

Not applicable.

(f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pension, medical and hospitalization benefits, continuity and stability of employment and all other benefits received.

There is an improvement upon retirement which is noted will be received by members of this unit. It is one which recognizes their service and, while a slight improvement, does accord with the practices in many other communities.

(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

Not applicable.

(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-find, arbitration or otherwise between the parties in the public service or in private employment.

Not applicable.

Award: Union 16 is granted retroactive to July 1, 1983.

Ulicny dissents.

Furlough/Vacation Union Issue 17

In Union Issue 17 the Union seeks to have its members paid twice yearly for the vacation time they would normally be taking in that period.

However, the employee would then have the option to utilize this furlough period or to work during that time. If he chooses to work, he would not receive any premium pay. The proposal is referred to by the Union as unique in its possibility to save the City money. The language while unique does not appear to provide much in the possibility of cost savings.

The 20 furlough days which a member uses and is divided into the two periods where the vacation is to be taken means that an employee takes his vacation and is paid for each of those 10 days. Under this proposal there seems to be some question as to the savings to the City because the City would not have to schedule overtime to provide for those who are on vacation. The City normally does not schedule overtime in order to replace those who are on vacation and, in fact, there is testimony that there would be an increased cost to the City under this proposal (Tr. XIX, pp. 17-20).

In addition the City makes reference to the fact that the vacations actually should be taken by employees in order to reduce stress. The need for the vacations is also related to the ability of an officer to exercise his judgment and the City refers to the pending claims in excess of $800,000,000.00 alleging improper police action (Tr. XXXII, pp. 89-91. Tr. XXXIII, pp. 29-39. City Exhibit 75, p. 45, I. Contingencies: Pending Litigation and Claims). There is also the suggestion that if an employee does not use his vacation he may be tempted to use sick days in order to get time off and the City would not like to see that approach taken. Deputy Chief Revel Brawner, who sat in during all of the hearings, felt

that the proposal would not be a benefit to the department and it would also create some administrative problems since the employees could dictate whether they would work or not and he objected to this proposal (Tr. XXXIII, pp. 25-31).

Statutory Factors:

(a) The lawful authority of the employer.

Not applicable.

(b) Stipulation of the parties.

Not applicable.

(c) The interest and welfare of the public and the financial ability of the unit of government to meet those costs.

It would appear that the interest of the public are best served by having the department proceed as they do at present in scheduling vacations twice a year, and that the public would benefit from employees taking their vacation, and the department would benefit in that it could deal with the administration of the department in a reasonable and effective manner.

(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.

There were no comparabilities that were introduced by the parties in this connection and it seems to the panel that the burden of proof with respect to effectuating a change is not met in this case.

(e) The average consumer prices for goods and services, commonly known as cost of living.

Not applicable.

(f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pension, medical and hospitalization benefits, continuity and stability of employment, and all other benefits received.

The present arrangement with regard to vacations is properly and judiciously administered by the department and meets the requirements of the public and employees.

(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

Not applicable.

(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 to voluntary collective

bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

Not applicable.

Award: Union 17 is rejected.

Lyons dissents.

Uniform Cleaning Allowance. Union Issue 18

The Union demand is that effective July 1, 1983, each member of the bargaining unit shall receive an annual uniform cleaning allowance of $250.00 per year payable the first payroll period of each fiscal year. Retroactive to July 1, 1983, this provision would be a first in the City of Detroit. The City does provide uniforms for the members of this unit as well as members of the DPOA and Firefighters. The Union is saying that in order to maintain the appearance expected of its members that a cleaning allowance should be provided. The comparable communities (See Union Exhibits 108-111) provide a cleaning or clothing allowance, or both, and the amounts range from $225.00-$800.00 per year.

The City objects to this and its consideration of this demand and says that it is unprecedented in the City's history. It also points out that the uniform cleaning allowance is really "an alias for wages" (City Brief, p. 155) (Tr. XXXII, p. 52). The Union points out that in other communities there are various other benefits which are better such as in the longevity area or provision of the gun allowance. The shift premium is also what they point out is a relatively nominal amount in Detroit which pays up to 10% for work on other than day shifts. Other communities do

recognize this as subject to additional amounts (See Union Exhibit, 108-111). The panel has considered this matter, not only as it relates to the appearance of the members and their need to spend funds in order to maintain a proper appearance in connection with their uniform, but also as part of the overall compensation to the members of this unit. It is clear that one cannot separate the purpose from the effect on overall compensation. It is the view of the panel that it is time for the City to provide a uniform cleaning allowance and the Union demand as to this matter is granted.

Statutory Factors:

(a) The lawful authority of the employer.

Not applicable.

(b) Stipulation of the parties.

Not applicable.

(c) The interest and welfare of the public and the financial ability of the unit of government to meet those costs.

There is an impact from the grant of the uniform cleaning allowance estimated by the City to be $251,000.00 (See City Brief, p. 155). It does not seem to the panel that this is an excessive amount to impose in connection with the overall wage and fringe package included within this award.

(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.

The comparison with regard to the wages and other benefits in comparable communities makes it clear that the City of Detroit is behind other communities in this specific area as well as some of the other items alluded too in the discussion above.

(e) The average consumer prices for goods and services, commonly known as the cost of living.

There has been an increase in the component of the cost of living for cleaning and this applies to uniform cleaning as well as to other matters.

(f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pension, medical and hospitalization benefits, continuity and stability of employment, and all other benefits received.

Obviously, the grant of a uniformed cleaning allowance has to be considered in connection with the overall compensation received by the

employees. Consideration has been given to this matter and it is deemed appropriate to provide this sum of money to the employees.

(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

Not applicable.

Award: Union 18 is granted retroactive to July 1, 1983.

Ulicny dissents.

Civilian Clothing Allowance. Union Issue 19

In this demand the Union seeks to make retroactive to July 1, 1983, an amount of $400.00 per year for the purchase and replacement of clothing for members of the bargaining unit who are required to wear civilian clothing.

The Union makes much of its suggestion that the kind of benefits granted in comparable communities also include allowances for officers required to wear civilian clothing in connection with the performance of their duties. The testimony is unclear as the numbers of members of this bargaining unit at any one time are required to wear civilian clothing consistently. The Union, of course, recognizes that this is another fringe benefit or recognition of overall compensation.

The panel is not convinced that the Union has made out a case and carried its burden of proof with regard to the numbers of persons

affected, the applicability of this civilian clothing requirement as a placing an added burden on a great number of members of the unit and it appears to be relatively narrowly focused. It would appear to be difficult to administer since it would have to be made clear that what is required is that members are regularly required to wear civilian clothes rather than an intermittent assignment. Because of the uncertainty on these matters by the panel Union Issue #19 is rejected.

Statutory Factors:

(a) The lawful authority of the employer.

Not applicable.

(b) Stipulation of the parties.

Not applicable.

(c) The interest and welfare of the public and the financial ability of the unit of government to meet those costs.

It does not appear that either the financial burden placed upon the City or the interest of the public would be served by the grant of this demand.

(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.

The comparison with other communities is too unclear as to whether in this case what we are referring to are employees required at all times to wear civilian clothing as opposed to those who are required to do so intermittently. The City points out that there is a recognition in certain city jobs that very hard dirty, labor is being performed, especially by those who receive under $21,000.00 per annum in wages and this makes it reasonable to pay for civilian clothing. The amount granted to these few employees is only $70.00 annually. It does not appear that the requirements of the job, in this case, would be comparable with other city employees.

(e) The average consumer prices for goods and services, commonly known as the cost of living.

Not applicable.

(f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pension, medical and hospitalization benefits, continuity and stability of employment, and all other benefits received.

The totality of the package of benefits and wages received by the employees in this instance would appear to be sufficient so that it would not be appropriate in the present circumstances to grant this demand.

(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

Not applicable.

(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 to voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

Not applicable.

Award: Union 19 is denied.

Lyons dissents.

Health Insurance for Retiree's Spouse. City Issue I-1

The City makes the point that where a retiree elects option #1 and then dies, that the spouse should no longer receive health insurance coverage paid for by the City. The basic ground for this view is that there should be a nexus between the retirement program and fringe benefits. So if the retiree is no longer drawing any benefits, since option 1 grants a larger amount on retirement than the other options 2,3, and 4, that, therefore, the spouse should not have health insurance paid for after the retiree's death. The City says it never intended to provide health care insurance coverage for the spouse of a retiree, that its intent was to pay the premium only for those who are receiving a pension from the City.

As a result of arbitration in 1980, the language which existed, in the collective bargaining agreement was interpreted to require the City to continue health insurance coverage for the spouses of option 1 retirees even though they no longer receive any pension benefits (Tr. XXXV, pp. 9-13. Tr. XXXVI, p. 13. City Exhibit 169). Later, the Union and the City in 1981 negotiated what the City refers to as partial relief from this anomaly (Tr. XXXVI, pp. 13-15), and inserted the current contract language which differentiates between those who were in the pension system and members of this bargaining unit, or after July 1, 1982, are promoted into it. For those who were members before, the payment of health insurance premiums for spouses of deceased retirees would continue.

The DPOA Award agreed with the City's position and as applied to retirees who retire after July 1, 1985, and who elect the straight-life option under the retirement system, the City will pay no hospitalization premium for the retiree's spouse after the death of the retiree (DPOA Award, pp. 120-124).

The Union makes the point that the present language is the result of collective bargaining negotiations and should be continued. It also says there would be no cost savings or so nominal that it should not be considered. It further points out that having won in an arbitration, and having negotiated in good faith in the normal collective bargaining process, they should not now lose the fruits of that negotiation and that the City has failed to carry its burden in seeking to make the change.

There is some concern by the panel with regard to the impact upon a spouse who not only loses her retiree, husband/wife, but also loses health insurance protection at a crucial time in his or her life. There is some question as well under federal law as to whether the retiree could elect option 1 which grants a higher amount upon retirement than the other options, and foreclose his spouse's right to health insurance in the event of his death, without the spouse having had an opportunity to participate in that decision (See DPOA Award, p. 123).

The panel feels that the City has not overcome the burden of making a change of this nature and has it doubts with regards to the validity of the exercise of an option which forecloses the right of a spouse without consent and, therefore, rejects the City position and maintains the current contract language.

Statutory Factors:

(a) The lawful authority of the employer.

Not applicable.

(b) Stipulation of the parties.

Not applicable.

(c) The interest and welfare of the public and the financial ability of the unit of government to meet those costs.

Not applicable.

(d) Comparison of the wages, hours and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours and conditions or 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.

There was no evidence offered with regard to comparable matters outside of the City of Detroit employees (Tr. XXXVI, p. 43. Tr. XXXVII, pp. 5-6. City Exhibit 90, p. 84. City Exhibit 184). The arrangement that was arrived at with respect to this bargaining unit arises out of their contract and an arbitration decision and this is not to be lightly set aside.

(e) The average consumer prices for goods and services, commonly known as the cost of living.

Not applicable.

(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, continuity and stability of employment, and all other benefits received.

Both pensions and medical hospitalization benefits are included under this matter as previously been discussed above. It is clear that there is a relationship between the amount the retiree received by electing option #1, thereby foreclosing benefits to his spouse, and the other options

available, 2,3, and 4 which continue a benefit to the spouse in a pension as well as in health insurance coverage. If the spouse is to be adversely affected, it is clear to the panel that it has to be done directly and that it should result from the bargaining between the parties as well as specific notification to the affected spouse before any consent is given when an election is made to exercise option #1 upon retirement.

(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

Not applicable

(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 to voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

The prior determination by the arbitrator, Mr. Kanner, which then resulted in further negotiations between the parties, certainly has been a consideration which weighs in the determination by the panel on this matter.

Award: City I-1 is denied.

Ulicny dissents.

Dental Insurance of Duty Disability Retirees. City Issue I-2

The City has suggested that the panel adopt the DPOA Award which maintains the existing arrangement. At page 131 the Award of that panel is as follows: "The panel denies the employer's proposal and directs the parties to include the following language in the new agreement specifically stating that officers receiving a duty disability pension are to continue to receive the dental insurance benefit." By adopting the DPOA Award, at page 131, the City recognizes that the arguments made by the Union in that Award, and the Union in this case, agrees with the City position and accepts the continuation of the status quo.

In light of the fact that both parties have accepted the DPOA Award on this issue, it is not necessary to consider the statutory factors that may be involved although this panel adopts the reasoning of the DPOA Award on this issue.

Award: City I-2 is granted.

Dental Insurance for New Hires. City Issue I-3

The City wishes to use the DPOA Award which required completion of 1,040 straight time hours of work before newly hired employees would be able to receive dental care benefits (DPOA Award, p. 128).

The panel adopts the reasoning and position of the DPOA Award on this issue. The statutory factors are not applicable to this issue since it is a change in language only, but not a change in substance.

Award: City I-3 is granted.

Health Insurance for Sponsored Dependents. City Issue 4

The City seeks to require that employees who wish to insure sponsored dependents shall pay the premium cost of this coverage (City Exhibit 367, paragraph H). There is also the statement that other City Unions agreed to the elimination of the employer -- paid coverage of the sponsored dependent (Tr. XXXV, pp. 23-26). There is a further assertion in the City Brief "as will be expressly disclosed in the completed DPOA Act 312 Award, the DPOA has also accepted this cost containment increase (DPOA Award, p. 137)."

Reading of the Award does not indicate that panel considered the issue. If it did, it is not contained in the Award nor does the reading of page 137 support the assertion by the City on this matter.

The Union points out that the City by its testimony indicated that they are trying to reach a limited group of "aged adult parents" of employees (Tr. XXXVI, p. 24). Inasmuch as this coverage only applies to those who have Blue Cross/Blue Shield coverage within the bargaining unit, and this number is very small, it would appear that the impact of this kind of provision on the City would be very slight.

The panel rejects the City demand with respect to sponsored dependent and accepts the Union response to maintain the status quo.

Statutory Factors:

(a) The lawful authority of the employer.

Not applicable.

(b) Stipulation of the parties.

Not applicable.

(c) The interest and welfare of the public and the financial ability of the unit of government to meet those cost.

As was pointed out, there is a very slight impact on the City maintaining this benefit for those few members of this bargaining unit who would take advantage of it.

(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.

The Comparables which were produced for this panel related to general city employees, including AFSCME, and has broader applicability to those unions. The DPOA Award is inconclusive and does not appear to be applicable. The statement is made that the City of Detroit is the only employer in the State of Michigan that pays for this coverage and, while the panel does not doubt this, it deems that there are so few receiving this benefit that it should be continued.

(e) The average consumer prices for goods and services, commonly known as the cost of living.

Not applicable.

(f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pension, medical and hospitalization benefits, continuity and stability of employment, and all other benefits received.

The City makes the point that this issue is brought up as part of a package of cost containment matters. It should be noted that a similar package was presented to the DPOA panel and in its Award that panel directed and urged the parties to continue negotiations leading to meaningful cost containment measures (DPOA Award, p. 137).

(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

Not applicable.

(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 to voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.

Not applicable.

Award: City I-4 is denied.

Ulicny dissents.

Health Insurance for 19-25 Year Old Dependents. City Issue I-5

The City in this issue seeks to have the health insurance coverage for dependents discontinued for those who are not regularly attending an accredited school. If the coverage is to be provided, it will be provided at the employee's expense. The general city employees have accepted the City's position on this matter. The City's position as presented to the panel is that it would accept the DPOA Award. Unfortunately, their reference to the DPOA Award does not indicate that an Award has been made on this subject area, and the panel denies City Issue I-5 and grants the Union response to maintain the status quo, "the employer shall continue to pay the premiums for family continuation coverage for 19-25 dependents in accordance with current practice" (See Union response labeled City Issue #24).

Relatively the same statutory factors that were involved in the discussion of City Issue #4 apply to City Issue #5.

Award: City I-5 is denied.

Ulicny dissents

Health Care Cost Containment Measures. City Issue 6

The City has suggested a change in the existing language of the contract contained in a new paragraph J. As part of its presentation in its Brief the City makes reference to the DPOA Act Award, pages 136 and 137. As in the previous discussion for the other issues referring in like

manner to the DPOA Award where there is no DPOA Award that is spelled out on those pages, it is difficult for the panel to make an Award when the material has not been presented.

The Union suggests that it is in sympathy with the objectives of the Cost Containment thrust, however, it has its own version of paragraph J which it has included in what it has labeled as City Issue #26. The City Brief, page 101, makes reference to the proposed Union language dealing with the same premium cost of this hospitalization plan which may continue to be applied to the Banker's Life Program for other benefit improvements in that program as requested by the Union. Their confusion relates to their concern that this is a way of evading Cost Containment and suggests therefore that the Union proposal should be rejected.

The panel is convinced that the Union is in sympathy with the Cost Containment objectives of the City and grants the Union proposed language to substitute for paragraph J as contained in what the Union referred to as City Issue #26. The panel gives great weight to the position of the Union as contained in Union Brief, page 75 "the Union on the other hand, in its numbered Issue 26, detailed an extensive proposal to describe the hospitalization plan of Detroit Police Lieutenants and Sergeants Association. All of the Cost Containment features suggested by the City of Detroit in testimony are included in that particular proposal." It is this view which persuades the panel that the Union is not seeking an end run and is in good faith seeking to meet the need for the Health Cost Containment thrust that the City has suggested vigorously to this panel.

The panel rejects the suggestion therefore that "it is at best vague and ambiguous" City Brief, page 102.

Statutory Factors:

(a) The lawful authority of the employer.

Not applicable.

(b) Stipulation of the parties.

Not applicable.

(c) The interest and welfare of the public and the financial ability of the unit of government to meet those costs.

The welfare of the public is served best when the parties can join together in an effort to reduce the spiraling cost of health care. The Cost Containment proposal by the City is at best amorphous in light of the fact that the reference is to a DPOA proposal which is not found in the Award. There was considerable testimony and City exhibits which dealt with the need for health care cost containment. But it is extremely difficult for this panel to make a separate determination with regard to the City proposal when the City has taken the proposal which it made and modified it to refer it to a proposal that does not exist.

(d) Comparison of the wages, hour 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 of comparable communities.

(ii) in private employment of comparable communities.

The comparisons that were offered by the City were to the general city employees (Tr. XXXV, pp. 27-45; 59-62; 82-83. City Exhibits 172-175 (a) 179, 377 (a) (b)). The DPOA Award, which would be the most comparable is not spelled out for the panel to consider at this point. The panel, therefore, has determined that it must arrive at its own conclusion as stated above.

(e) The average consumer prices for goods and services, commonly known as the cost of living.

Of great concern in recent years at the national level and state level, as well as in the public and private sectors, has been the increasing cost for health care coverage for employees. This has been reflected in some ways in a series of agreements whereby the employee shares in the cost of health care coverage. However, when one views this unit it is clear that the sharing of health care costs is the concern of the Union. They have specifically stated they have this concern and will make an effort to deal with it. It is the hope of the panel that those statements will be vigorously pursued by the parties in the normal course of events in the near future.

(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, continuity and stability of employment, and all other benefits received.

Obviously, this is a benefit which is presently being received by the employees. The question is to what extent, through their mutual efforts, the City and the Union can arrive at a process whereby recognition is given to the need to rein in health care costs. It is the belief of the panel that they will do so and they are urged to pursue this matter.

(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

Not applicable.

(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.

Not applicable.

Award: City Issue 6 is denied. Union proposal labeled. City Issue 26 is granted.

Ulicny dissents.

Health Insurance Premium Sharing for Active Employees. City Issue 7

The City has said that with respect to this issue, it wishes to have the DPOA Award applied to this contract. In the DPOA Award, at page 136, the City position for premium sharing was denied. Since the City now wishes to have the DPOA Award made apart of this agreement as to this issue, and the Union, in what it has referred to as City Issue #28, wishes to continue the status quo. This matter is agreed to by the panel unanimously since there is agreement by the party on it.

In light of the agreement by the parties, there is no need to apply the statutory factors.

Award: City Issue 7 is granted.

Health Insurance Premium Sharing for Retirees. City Issue 8

In this issue, as in the previous one, the City suggests that the DPOA Award should be applied to this unit. The DPOA Award, at page 136, maintain the status quo with respect to the payment of premiums for hospital and medical insurance and, therefore, the City is willing to accept that position. The Union's last offer of settlement is contained in City Issue #30, and states the same thing as the effect of the DPOA Award. It simply asks that for purpose of clarity the Award should state "the employer shall pay 100% of the premiums for the insurance provided

by this paragraph." This would go in paragraph M. (2) Premium Sharing. Since the parties are obviously in agreement and the question is merely as to how it should be stated, it seems clear that there is no need to go into a detailed examination of the positions and therefore the City position is granted.

The statutory factors are not applicable in light of the substantial agreement between the parties.

Award: City Issue 8 is granted.

Pension-Benefits for "40 and 8" Vested Pension Retirees. City Issue 9

As in the prior issues, the City has suggested that the DPOA Award as to this be applied. The DPOA Award, at page 105, directed the parties to include appropriate language in the agreement to assure that "40 and 8" retirees receive hospitalization, medical and dental benefits. The Union proposal which is labeled as City Issue #13 makes reference to language "in accordance with past practice, provided for other retirees, spouses, dependents or beneficiaries."

In light of the direction by the DPOA panel that the parties prepare appropriate language in the agreement to insure these benefits it seems to the panel that the language which is agreed upon between the City and this unit will reflect the DPOA Award. Whether it refers to past

practices or not may not necessarily be the correct language. It would seem to the panel that it should be clear that the present benefits shall be maintained.

The City position incorporating the DPOA Award on this issue is granted.

The statutory factors are not necessary to be considered in view of the agreement by the parties.

Award: City Issue 9 is granted.

Pension-Eligibility for "40 and 8" Vested Pension. City Issue 10

The City has said that it wishes to have the DPOA Award applied to this unit. That Award, at page 111, says "employees hired on or after July 1, 1985 who leave city employment after being vested shall not be eligible for pension benefits until said individual reaches his or her sixty-second birthday."

Article VI, part A, Section 4 of the Policemen and Firemen Retirement System makes provision for members of the police department who have achieved age 40 or more with at least 8 years of service to start receiving a retirement allowance on the date he would have been eligible to retire had he continued with the department, that is 25 years after his date of hire. New Plan members must also attain the age of 55

as a condition precedent to eligibility (City Exhibit 17, pp. 18-19). The DPOA Award has taken into account the point made by the City that employees who leave have substantial experience which their service to the City would encompass if it were to continue. However, by leaving and in all likelihood taking another job, the employee is exercising an option made available to him but at some cost to the City. There is, in addition, the decision of Smith v. City of Detroit which required the City to provide these 40 and 8 retirees with the same hospitalization, medical and optical benefits as "regular retirees" despite the fact that they have had limited service with the City (Union Exhibits 150-154). It was difficult for the City to figure the cost savings which would be involved, in part, because of the unwillingness of the trustees of the policemen and Firemen Retirement System to commit the Plan's actuary to calculate this cost.

The Chairman of the panel is very concerned about this reluctance on the part of the pension board to permit this kind of "costing out" which has been a routine procedure in prior arbitrations. It has been of assistance to have an idea of what the City's actuary would determine is the cost of various proposals. That situation was involved not only in this proposal, but in some of the other proposals. It is troubling to the Chairman of the panel and it is his suggestion that in the future the retirement board cooperate in helping to achieve the goals of Act 312 by insuring that all information that can be prepared and presented is made available to the members of the Act 312 panel.

The Union says that even though the City proposal applies to those employees hired after July 1, 1985, it still has an obligation to its future brothers and sisters (Union Brief, p. 80). The panel is in accord with the City position on this issue and holds that the DPOA Award shall be applicable to this unit as to this issue.

Statutory Factors:

(a) The lawful authority of the employer.

Not applicable.

(b) Stipulation of the parties.

Not applicable.

(c) The interest and welfare of the public and the financial ability of the unit of government to meet those costs.

Although the cost savings involved are not specifically determined, related to the inability of the City to make this determination, it seems clear that there will be some savings to the City in the future and thus the interest and welfare of the public will be served.

(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 other employees performing similar services and with other employees generally:

(i) in public employment in comparable communities.

(ii) in private employment in comparable communities.

The Award by the DPOA panel and the agreement by AFSCME and most of the other general employees to accept this revised age requirement of 62 (City Exhibit 90, p. 104), makes it clear that the groups with whom this unit compares within the City will have this age of 62 applied to those under the 40 and 8 provision. There is not much else in the record which would relate to comparability.

(e) The average consumer prices for goods and services, commonly known as the cost of living.

Not applicable.

(f) The overall compensation presently received by the employee, including direct wage compensation, vacations, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, continuity and stability of employment, and all other benefits received.

This is a change which will effect those employees who are members of the unit after July 1, 1985 and it seems is consistent with the approach that should be taken to deal with how the City could best retain employees who have service which would be of benefit to the City of Detroit.

(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

Not applicable.

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

Not applicable.

Award: City Issue 10 is granted.

Lyons dissents.

Benefit Levels for Employees Hired After June 30, 1985. City Issue #11 and Longevity-Eligibility Standards to Qualify for Longevity Pay. City City #12

The City has suggested with regard to these two matters that there should be awarded the DPOA language contained on page 114 and 118 of that Award.

That Award also takes into consideration the changes in the longevity payments, dollars increase in steps for longevity payments under the DPOA Union Issue #4. City Longevity Issue #3. Incorporated then with these two matters is the longevity award setting forth a new longevity pay-out and improving step 1 from $150 to $250, Step 2 from $300 to $500, Step 3 from $450 to $750 and Step 4 goes from $450 plus 1% to $750 plus 1%.

It is the award of this panel that the DPOA Award in both of these issues be adopted and that the change in the dollar increases in steps for longevity payments are incorporated within this award.

The Union merely suggested what they considered clearer language, but the panel believes the the DPOA Award in its totality as it relates to the longevity payments and maintaining the status quo with respect to employees hired after June 30, 1985 and eligibility standards to qualify for longevity pay shall be maintained.

In light of the above the statutory factors are not in question and will not be considered.

Award: City Issues 11 and 12 are granted with the same longevity schedule improvement as set forth in the DPOA Award. The increased pay-out amounts shall be retroactive to July 1, 1983.

Death Benefit-Contribution Rate. City Issue 13

The City wishes to make a change in the language of the existing contract to reduce its contribution under title IX, Chapter III, of the City Charter and implemented by Chapter 16, Article 9, Section 16-9-2 of the City Code. Under these provisions the designated beneficiary of an active employee of the City is to be paid $4,900.00 upon the employee's death. At present this benefit is funded by a City contribution of $20.70 per year and by the employee contribution of $.25 per week or $13.00 per

year (Tr. XXXII, pp. 66-67. Joint Exhibit 3. Union Exhibit 163). As was mentioned in the course of the testimony, there is a surplus in the fund and the fund's actuary has recommended a reduction in the contribution rate (Tr. XXXII, pp. 67-69). The City wishes to reduce its contribution to $13.30 per year per employee, but also to reduce the employees contribution to $.20 per week or $10.40 per year. However, it also has within that proposal a suggestion that if these contributions are not sufficient to adequately fund this benefit, the level of benefit shall be adjusted to reflect the deficiency as recommended by the actuary for the Employees Benefit Board. The Union has suggested that it would prefer to continue the present contribution rate both by the City and by itself in order to guarantee the continuance of the $4,900.00 death benefit. The City's position on this is that the DPOA Award should be accepted by the parties.

As in prior situations the DPOA Award is not applicable since the language that is referred by the City is not included in the DPOA Award.

There seems to be no reason made by the City to support its view that there should be a change in an existing benefit which was granted both by the Charter and implemented by the City Code. It is therefore the view of the panel that the Union position on this which it has labeled City Issue #1 Death Benefits and Life Insurance be accepted.

Statutory Factors:

(a) The lawful authority of the employer.

Not applicable.

(b) Stipulation of the parties.

Not applicable.

(c) The interest and welfare of the public and financial ability of the unit of government to meet those costs.

The change which is proposed by the City is so slight that it does not have to be considered seriously in connection with this proposal. The interest and welfare of the public seems to be fairly well evidenced by the provision of the Charter assuring in effect what is a burial benefit to the family of the active employee who died and therefore does reflect the public interest.

(d) Comparison of the wages, hours and conditions of employment of the employee 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.

The closest comparable unit is the DPOA. This panel does not have the benefit of the DPOA Award as to this issue. Although, AFSCME and other general city unions have already agreed to this modification (See City Exhibit 90, p. 87. Tr. XXXII, p. 68), it does not have the same

applicability to the members of the uniformed services that it would have to general city employees and therefore is rejected as a comparable.

(e) The average consumer prices for goods and services, commonly known as the cost of living.

Not applicable.

(f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pension, medical and hospitalization benefits, continuity and stability of employment, and all other benefits received.

Obviously, this is included as one of the insurance benefits which is made available to all of the members of this unit and absent strong reasons why it should be modified, which has not been presented to this panel, it should continue.

(g) Changes in any of the forgoing circumstances during the pendency of the arbitration proceeding.

Not applicable.

(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.

Not applicable.

Award: City Issue 13 is denied. Union labeled City Issue I is granted.

Ulicny dissents.

Sick Leave-Annual Seniority Banked Credit. City Issue 14

The City in this issue has indicated it will take the DPOA Award, which is the maintenance of the 5-day sick days accumulation (DPOA Award, p. 93). The Union feels that with respect to this City proposal that the counter proposal it has made in its City Issue #33 should be considered in this connection. Under that proposal the Union would permit the accumulation of the unlimited sick bank under the current sick bank while reducing the seniority bank from 5 days to 3 days with an accumulated limit of 125 days in this bank. The panel rejects the Union counter proposal and notes that this issue is tied to Union 16 in that under that proposal there was a modification to include an increase in pay-off of the sick banks upon retirement.

Although the City refers to the AFSCME contract as recognizing the 3-day seniority sick bank, there the cap on pay-off under the AFSCME contract does not exist as it does for the uniformed services. There seems to be no impelling consideration to change the existing 5-day accumulation since the panel has already rejected the other aspects of the Union's proposal to uncap the current sick bank. Therefore, the panel accepts the City's last offer of settlement which is to maintain the status quo in accordance with the DPOA Award.

Statutory Factors:

(a) The lawful authority of the employer.

Not applicable.

(b) Stipulation of the parties.

Not applicable.

(c) The interest and welfare of the public and financial ability of the unit of government to meet those costs.

While there was some testimony referred to in the DPOA Award and some allusions to cost savings in this panel's deliberations, it does not appear that there is a compelling reason to make a change at this time.

(d) Comparison of the wages, hours and conditions of employment of the employees involved in the arbitration proceeding with the wage 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.

The DPOA unit is the one most comparable to the LS&A unit and it is given great weight that this issue has been maintained under status quo by the DPOA Award. The AFSCME contract and those of other general city unions, are not comparable because there is no cap on the accumulation pay-off.

(e) The average consumer prices for goods and services, commonly known as the cost of living.

Not applicable.

(f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pension, medical and hospitalization benefits, continuity and stability of employment, and all other benefits received.

Obviously, this issue involves a fringe benefit and there appears to be no reason at this time to make a change.

(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceeding.

Not applicable.

(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.

Not applicable.

Award: City Issue 14 is granted. Lyons dissents.

Sick Leave-Conversion of the Current Disability Program to the Workers' Compensation Act. City Issue 15

The City wishes to have as its last offer of settlement the DPOA Award which is the maintenance of the existing system of Charter Benefits in the new agreement for the period 1983-1986 (DPOA Award, p. 100). The Union has indicated it is in agreement that the status quo should continue and since the parties are in essential agreement with regard to this issue the panel accepts the City position on this matter and adopts the DPOA Award as to this issue.

Inasmuch as the parties are in substantial agreement the statutory factors are not required to be considered.

Award: City Issue 15 is granted.

Settlement Through Agreement or Other Matters.

In the course of the proceedings the parties had submitted the agreements that they had arrived at and these are incorporated in this award as Joint Exhibits #2,#6, and #8. In addition, there was an agreement arrived at by the parties relating to City Issues I-16 through I-27. This agreement also is entered into and made a part of this Award. As to Article 4, Section J there is an agreement on the new language contained in this sub-section and it is attached to and made part of the Award.

As to all other items in the current contract, not the subject of this proceeding, they shall continue in full force and effect.

Except as noted in this Award the panel members agrees to this opinion and award. The formal dissent of panel member Mark Ulicny is attached hereto.

Richard Strichartz

John Lyons

Mark Ulicny

Dec. 9, 1985

L. S. A.

Article Number Four Sub-Section J.

J. Association officers will be allowed a total of 17 days per week to conduct association business according to the following:

President	- Five (5) Days Per Week
Vice-President	- Four (4) Days Per Week
Secretary/Treasurer	- Four (4) Days Per Week
Sergeant-at-Arms	- Four (4) Days Per Week

When reductions in force occur, the above officers will have top seniority.

IN THE MATTER OF THE STATUTORY ARBITRATION
Pursuant to Act 312
between

CITY OF DETROIT

and

DETROIT POLICE LIEUTENANTS
AND SERGEANTS ASSOCIATION

/

Arbitrator: Richard Strickhartz
Act 312 Case: D83-B487

CITY OF DETROIT'S LAST BEST OFFERS ON ECONOMIC ISSUES

IN THE MATTER OF THE STATUTORY ARBITRATION
Pursuant to Act 312
between

CITY OF DETROIT

and

DETROIT POLICE LIEUTENANTS
AND SERGEANTS ASSOCIATION
_____/

Arbitrator: Richard Strickhartz
Act 312 Case: D83-B487

CITY OF DETROIT'S LAST OFFERS OF SETTLEMENT AS TO ECONOMIC ISSUES

Pursuant to the mandate of Section 8 of Act 312, Public Acts of 1969, as amended by Act 127, Public Acts of 1972 and Act 303, Public Acts of 1977 (MCLA 423.238), the City of Detroit presents to the Detroit Police Lieutenants and Sergeants Association and the Arbitration panel its last offers of settlement.

I

1. Health Insurance for Retiree's Spouse (Paragraph M of City's Hospitalization, Medical Insurance and Optical Care Proposal)

The City submits its last offer on the issue of Health Insurance for Retiree's Spouse. The City desires to maintain the traditional health care equality that has existed between the DPOA and the LSA and therefore proposes the same health care plan as awarded in the current DPOA - City of Detroit Act 312 proceeding.

2. Dental Insurance for Duty Disability Retirees (Paragraph E of City's Hospitalization, Medical Insurance and Optical Care Proposal)

The City submits its last offer on the issue of Dental Insurance for Duty Disability Retirees. The City desires to maintain the traditional health care equality that has existed between the DPOA and the LSA and therefore proposes the same health care plan as awarded in the current DPOA - City of Detroit Act 312 proceeding.

3. Dental Insurance for New Hires (Paragraph E of City's Hospitalization, Medical Insurance and Optical Care Proposal)

The City submits its last offer on the issue of Dental Insurance for New Hires. The City desires to maintain the traditional health care equality that has existed between the DPOA and the LSA and therefore proposes the same health care plan as awarded in the current DPOA - City of Detroit Act 312 proceeding.

4. Health Insurance for Sponsored Dependents (Paragraph H of City's Hospitalization, Medical Insurance and Optical Care Proposal)

The City submits its last offer on the issue of Health Insurance for Sponsored Dependents. The City desires to maintain the traditional health care equality that has existed between the DPOA and the LSA and therefore proposes the same health care plan as awarded in the current DPOA - City of Detroit Act 312 proceeding.

5. Health Insurance for 19-25 Year Old Dependents (Paragraph H of City's Hospitalization, Medical Insurance and Optical Care Proposal)

The City submits its last offer on the issue of Health Insurance for 19-25 Year Old Dependents. The City desires to maintain the traditional health care equality that has existed between the DPOA and the LSA and therefore proposes the same health care plan as awarded in the current DPOA - City of Detroit Act 312 proceeding.

6. Health Care Cost Containment Measures (Paragraph J of City's Hospitalization, Medical Insurance and Optical Care Proposal)

The City submits its last offer on the issue of Health Care Cost Containment Measures. The City desires to maintain the traditional health care equality that has existed between the DPOA and the LSA and therefore proposes the same health care plan as awarded in the current DPOA - City of Detroit Act 312 proceeding.

7. Health Insurance Premium Sharing for Active Employees (Paragraph L of City's Hospitalization, Medical Insurance and Optical Care Proposal)

The City submits its last best offer on the issue of Health Insurance Premium Sharing for Active Employees. The City desires to maintain the traditional health care equality that has existed between the DPOA and the LSA and therefore proposes the same health care plan as awarded in the current DPOA - City of Detroit Act 312 proceeding.

8. Health Insurance Premium Sharing for Retirees (Paragraph M of City's Hospitalization, Medical Insurance and Optical Care Proposal)

The City submits its last offer on the issue of Health Insurance Premium Sharing for Retirees. The City desires to maintain the traditional health care equality that has existed between the DPOA and the LSA and therefore proposes the same health care plan as awarded in the current DPOA - City of Detroit Act 312 proceeding.

9. Pension - Benefits for "40 and 8" Vested Pension Retirees

The City submits its last offer on the issue of Pension - Benefits for "40 and 8" Vested Pension Retirees. The City desires to maintain the traditional equality that has existed between the DPOA and the LSA on this issue, and therefore proposes the same provision awarded in the current DPOA - City of Detroit Act 312 proceeding.

10. Pension - Eligibility for A "40 and 8" Vested Pension

The City submits its last offer on the issue of Pension - Eligibility for a "40 and 8" Vested Pension. The City desires to maintain the traditional equality that has existed between the DPOA and the LSA on this issue, and therefore proposes the same provision awarded in the current DPOA - City of Detroit Act 312 proceeding.

11. Longevity - Benefit Levels for Employees Hired After June 30, 1985

The City submits its last offer on Longevity - Benefits Levels for Employees Hired after June 30, 1985. The City desires to maintain the traditional equality that has existed between the DPOA and the LSA on this issue, and therefore proposes the same provision awarded in the current DPOA - City of Detroit Act 312 proceeding.

12. Longevity - Eligibility Standards to Qualify for Longevity Pay

The City submits its last offer on the issue of Longevity - Eligibility Standards to Qualify for Longevity Pay. The City desires to maintain the traditional equality that has existed between the DPOA and the LSA on this issue, and therefore proposes the same provision awarded in the current DPOA - City of Detroit Act 312 proceeding.

13. Death Benefit - Contribution Rate

The City submits its last offer on the issue of Death Benefit - Contribution Rate. The City desires to maintain the traditional equality that has existed between the DPOA and the LSA on this issue, and therefore proposes the same provision awarded in the current DPOA - City of Detroit Act 312 proceeding.

14. Sick Leave - Annual Seniority Bank Credit (Paragraph A.b. of City's Sick Leave Proposal)

The City submits its last offer on the issue of Sick Leave - Annual Seniority Bank Credit. The City desires to maintain the traditional equality that has existed between the DPOA and the LSA on this issue, and therefore proposes the same provision awarded in the current DPOA - City of Detroit Act 312 proceeding.

15. Sick Leave - Conversion of the Current Disability Program to the Workers' Compensation Act (Paragraph G of City's Sick Leave Proposal)

The City submits its last offer on the issue of Sick Leave - Conversion of the Current Disability Program to the Workers' Compensation Act. The City desires to maintain the traditional equality that has existed between the DPOA and the LSA on this issue, and therefore proposes the same provision awarded in the current DPOA - City of Detroit Act 312 proceeding.

16. Sick Leave - Justification to Support Absence Upon Suspected Abuse of Sick Leave Benefits (Paragraph B of City's Sick Leave Proposal)

The City submits its last offer on the issue of Sick Leave - Justification to Support Absence upon Suspected Abuse of Sick Leave Benefits. The City proposes that upon suspected abuse, a member's commanding officer may request adequate justification to support the member's absence.

17. Sick Leave - Sick Time Deduction Rate (Paragraph C of City's Sick Leave Proposal)

The City submits its last offer on the issue of Sick Leave - Sick Time Deduction Rate. The City desires to maintain the traditional equality that has existed between the DPOA and the LSA on this issue, and therefore proposes the same provision awarded in the current DPOA - City of Detroit Act 312 proceeding.

18. Sick Leave - Authorized Use of Sick Time Prior to Reporting to Duty (Paragraph C of City's Sick Leave Proposal)

The City submits its last offer on the issue of Sick Leave - Authorized Use of Sick Time Prior to Reporting to Duty. The City desires to maintain the traditional equality that has existed between the DPOA and the LSA on this issue, and therefore proposes the same provision awarded in the current DPOA - City of Detroit Act 312 proceeding.

19. Sick Leave - Authorization to Leave Home for Employees on Sick Leave and Under DPD 350-A (Paragraph D of City's Sick Leave Proposal)

The City submits its last offer on the issue of Sick Leave - Authorization to Leave Home for Employees on Sick Leave and under DPD 350-A. The City proposes that the right to absent himself from his home while sick shall not apply to an employee who has been, pursuant to Police Manual Volume IV, Chapter 4, Section 21 properly served with DPD Form 350-A and is under the provisions of DPD 350-A; such an employee, if being carried sick for any reason set forth in the Sick Leave Article Section B (Sick Time Credit) of this agreement, must secure permission from the officer in charge of the unit to which he is assigned, or if his unit is closed, the precinct in which he resides, to absent himself from his home. Rules of confinement do not apply on leave days.

20. Sick Leave - Requirement to Keep Commanding Officer Advised of Progress of Incapacity and Expected Date of Return (Paragraph E of City's Sick Leave Proposal)

The City submits its last offer on the issue of Sick Leave - Requirement to Keep Commanding Officer Advised of Progress of Incapacity and Expected Date of Return. The City proposes that a member who is on sick leave can, as necessary, be required to keep his commanding officer advised of his incapacity and expected date of return.

21. Sick Leave - Assignment of Limited Duty Personnel to assignments which they can perform (Paragraph F of City's Sick Leave Proposal)

The City submits its last offer on the issue Sick Leave - Assignment of Limited Duty Personnel to Assignments which they can perform. The City proposes that, the Chief of Police may assign such persons (limited duty personnel) to any police officer assignments which they can perform, irrespective of seniority considerations.

22. Sick Leave - Submission to Reasonable Medical Treatment Programs (Paragraph F & K of City's Sick Leave Proposal)

The City submits its last offer on the issue of Sick Leave - Submission to Reasonable Medical Treatment Programs. The City proposes that as a condition of disabled or limited duty status and the benefits thereof, officers must submit to all reasonable medical treatment programs or examinations ordered by the Department. Failure to do so will lead to immediate termination of such status and benefits.

23. Sick Leave - Documentation of Family Illness (Paragraph I of City's Sick Leave Proposal)

The City submits its last offer on the issue of Sick Leave - Documentation of Family Illness. The City proposes that after the department has complied with Police Manual Volume IV, Chapter 4, Section 21 using forms 350, 350-A, 350-B, 350-C, 350-D, all as revised 12/27/76, an officer subject to same shall be required to substantiate, with medical verification, his or her illness and the illness of a member of his or her immediate family when using sick time for said purposes.

24. Sick Leave - Abuse Control (Paragraph I of City's Sick Leave Proposal)

The City submits its last offer on the issue of Sick Leave - Abuse Control. The City proposes that Section "I" (Documentation of Illness) of the City's proposal shall not operate to preclude the Chief of Police from exercising any reasonable means of ending abuses of sick time benefits.

25. Sick Leave - Forfeiture of Disabled or Limited Duty Benefits During a Period of Serving a Non-paid Disciplinary Suspension (Paragraph L of the City's Sick Leave Proposal)

The City submits its last offer on the issue of Sick Leave - Forfeiture of Disabled or Limited Duty Benefits During a Period of Serving a Non-paid Disciplinary Suspension. The City proposes that any officer receiving the benefits of disabled time or limited duty status will have such benefits forfeited during any period he or she is serving a non-paid disciplinary suspension.

26. Sick Leave - Application of Department Rules and Regulations to Employees on Disabled or Limited Duty Status (Paragraph M of the City's Sick Leave Proposal)

The City submits its last offer on the issue of Sick Leave - Application of Department Rules and Regulations to Employees on Disabled or Limited Duty Status. The City proposes that whether on disabled time or limited duty, members are subject to the rules and regulations of the department, insofar as their condition permits.

27. Sick Leave - Contractual Acknowledgement of the Existing Practice for Determining Whether a Disabled or Limited Duty Employee Should Carry a Gun or Badge (Paragraph N of the City's Sick Leave Proposal)

The City submits its last offer on the issue of Sick Leave - Contractual Acknowledgement of the Existing Practice for Determining Whether a Disabled or Limited Duty Employee Should Carry a Gun or Badge. The City proposes that it is the responsibility of the Chief of Police or his designated representative to determine whether a disabled or limited duty employee is capable of carrying a gun and badge. The Chief's determination will be based on medical evidence and will comply with the applicable State laws.

II

1. Wages July 1, 1983 - June 30, 1984

The City submits its last offer on the issue of Wages for the period July 1, 1983 to June 30, 1984. The City proposes that any salary adjustments be made only by application of existing LSA percentage differential salary relationships to the maximum DPOA wage rate for the title Police Officer (Classification Code #33-10-11) as awarded in the current DPOA - City of Detroit Act 312 proceeding.

2. Wages July 1, 1984 - June 30, 1985

The City submits its last offer on the issue of Wages for the period July 1, 1984 to June 30, 1985. The City proposes that any salary adjustments be made only by application of existing LSA percentage differential salary relationships to the maximum DPOA wage rate for the title Police Officer (Classification Code #33-10-11) as awarded in the current DPOA - City of Detroit Act 312 proceeding.

3. Wages July 1, 1985 - June 30, 1986

The City submits its last offer on the issue of Wages for the period July 1, 1985 to June 30, 1986. The City proposes that any salary adjustments be made only by application of existing LSA percentage differential salary relationships to the maximum DPOA wage rate for the title Police Officer (Classification Code #33-10-11) as awarded in the current DPOA - City of Detroit Act 312 proceeding.

4. Differential July 1, 1983 - June 30, 1984

The City submits its last offer on the issue of Differential for the period July 1, 1983 to June 30, 1984. The City desires to maintain the status quo.

5. Differential July 1, 1984 - June 30, 1985

The City submits its last offer on the issue of Differential for the period July 1, 1984 to June 30, 1985. The City desires to maintain the status quo.

6. Differential July 1, 1985 - June 30, 1986

The City submits its last offer on the issue of Differential for the period July 1, 1985 to June 30, 1986. The City desires to maintain the status quo.

7. Cost of Living Allowance July 1, 1983 - June 30, 1984

The City submits its last offer on the issue of COLA for the period of July 1, 1983 to June 30, 1984. The City proposes no COLA, except that if COLA is awarded in the current DPOA - City of Detroit Act 312 proceeding, the LSA shall receive the same amount.

8. Cost of Living Allowance July 1, 1984 - June 30, 1985

The City submits its last offer on the issue of COLA for the period of July 1, 1984 to June 30, 1985. The City proposes no COLA, except that if COLA is awarded in the current DPOA - City of Detroit Act 312 proceeding, the LSA shall receive the same amount.

9. Cost of Living Allowance July 1, 1985 - June 30, 1986

The City submits its last offer on the issue of COLA for the period of July 1, 1985 to June 30, 1986. The City proposes no COLA, except that if COLA is awarded in the current DPOA - City of Detroit Act 312 proceeding, the LSA shall receive the same amount.

10. Pension - Optional Buy Out

The City submits its last offer on the issue of Pension - Optional Buy Out. The City desires to maintain the status quo.

11. Pension - 25 and Out

The City submits its last offer on the issue of Pension - 25 and Out. The City desires to maintain the status quo.

12. Pension - Military Service Credit

The City submits its last offer on the issue of Pension - Military Service Credit. The City desires to maintain the status quo.

13. Pension - Old Plan/New Plan

The City submits its last offer on the issue of Pension - Old Plan/New Plan. The City desires to maintain the status quo.

14. Pension - Pop-up

The City submits its last offer on the issue of Pension - Pop-up. The City desires to maintain the status quo.

15. Payment for Accumulated Time for Duty Disability Retirees

The City submits its last offer on the issue of Payment for Accumulated Time for Duty Disability Retirees. The City desires to maintain the status quo.

16. Sick Leave Pay-off

The City submits its last offer on the issue of Sick Leave Pay-off. The City desires to maintain the status quo.

17. Vacation - Method of Payment

The City submits its last offer on the issue of Vacation - Method of Payment. The City desires to maintain the status quo.

18. Uniforms - Cleaning Allowance

The City submits its last offer on the issue of Uniforms - Cleaning Allowance. The City desires to maintain the status quo.

19. Uniform - Clothing Allowance

The City submits its last offer on the issue of Uniform - Clothing Allowance. The City wishes to maintain the status quo.

0104R

Jt Ex #2

STATE OF MICHIGAN

BEFORE AN ACT 312 ARBITRATION PANEL

In the Matter of:

CITY OF DETROIT,

Employer,

-and-

DETROIT POLICE LIEUTENANTS
& SERGEANTS ASSOCIATION,

Union.
_____/

STIPULATION AS TO SETTLEMENT
OF CERTAIN ISSUES

NOW COME the parties by and through their respective counsel, and hereby stipulate to settlement of the following issues:

Article 1 Preamble

Article 3 Association Security

Article 5 Management Rights and Responsibilities

Article 6 Association Responsibilities

Article 7 Special Conference

Article 13 Legal Counsel

Article 14 Outside Employment

Article 15 Political Offices

Article 16 Health and Safety

Article 17 Miscellaneous Items

Article 18 Seniority

Article 20 Leaves of Absence

Article 21 Absent With Leave and Absent Without Leave

Article 24 Leave Days/Work Week

LAW OFFICES RAMSDELL OADE & FELDMAN 29130 SOUTHFIELD ROAD SOUTHFIELD, MICH. 48075 (313) 552-8400

Article 26	Court Time
Article 27	Method of Compensation
Article 28	Out-of-Class Pay
Article 31	Roll Call Preparation Time
Article 33	- Recent Retroactive Supervisor.
Article 34	Service Revolver
Article 39	Emergency or Excused Days
Article 40	Meal Period
Article 42	Educational Reimbursements
Article 52	Adoption by Reference or Relevant Charter Provisions
Article 58	Savings Clause
Article 59	Extent of Agreement

STRINGARI, FRITZ, KREGER, AHEARN & HUNSLINGER, P.C.

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Jt Ex 6

STATE OF MICHIGAN

BEFORE AN ACT 312 ARBITRATION PANEL

In the Matter of:

CITY OF DETROIT,

Employer,

-and-

DETROIT POLICE LIEUTENANTS & SERGEANTS ASSOCIATION,

Union.

/

AMENDED STIPULATION AS TO SETTLEMENT OF CERTAIN ISSUES

NOW COME the parties by and through their respective counsel, and hereby stipulate to settlement of the following issues:

Article 1	Preamble
Article 3	Association Security
Article 5	Management Rights and Responsibilities
Article 6	Association Responsibilities
Article 7	Special Conference
Article 12	Department Files
Article 13	Legal Counsel
Article 14	Outside Employment
Article 15	Political Offices
Article 16	Health and Safety
Article 17	Miscellaneous Items
Article 18	Seniority
Article 20	Leaves of Absence
Article 21	Absent with Leave and Absent Without Leave
Article 23	Transfers

LAW OFFICES RAMSDELL, OADE & FELDMAN 25130 SOUTHFIELD ROAD SOUTHFIELD, MICH. 48075 (313) 352-9400

Article 24 Leave Days/Work Days

Article 26 Court Time

Article 27 Method of Compensation

Article 28 Out-of-class pay

Article 31 Roll Call Preparation Time

Article 33 Precinct Patrol Supervisors

Article 34 Service Revolver

Article 36 Funeral Leave

Article 39 Emergency or Excused Days

Article 40 Meal Period

Article 42 Educational Reimbursements

Article 43 Printed Agreement

Article 46 Recall Pay

Article 52 Adoption by reference or relevant Charter Provisions

Article 53 Maintenance of conditions

Article 58 Savings Clause

Article 59 Extent of Agreement

Counsel for the parties stipulate that current contract language shall apply with respect to all of the above Articles of the collective bargaining agreement.

The parties have agreed upon new contract language with respect to each of the following articles and contract provisions:

Article 4 Basis of Representation

Article 10 Discipline

Article 11 Members' Rights

Article 22 Job Assignments

LAW OFFICES RAMSDELL, OADE & FELDMAN 25130 SOUTHFIELD ROAD SOUTHFIELD, MICH. 48075 (313) 552-8400

Article 25	Overtime
Article 37	Holidays (some aspects)
Articel 47	Performance Evaluation Ratings
Article __	Jury Duty (see Jt. Ex 8 for language)

STRINGARI, FRITZ, KREGER,
AHEARN & HUNSLINGER, P.C.

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LAW OFFICES RAMSDELL, OADE & FELDMAN 25130 SOUTHFIELD ROAD SOUTHFIELD, MICH. 48075 (313) 552-9400

A. Except as herein provided, job assignments within each work location are within the purview of management.

B. Precinct patrol and IOS job assignments and all uniform job assignments in all sections and units should be made in such a way as to maximize the efficiency and effectiveness of the Department and the individual career development of each officer. In making such job assignments the following factors shall be used:

1. the nature of the assignment and the skills it calls for;
2. the availability of pre-qualified persons;
3. the stated assignment preferences; and
4. the seniority of members of the Bargaining Unit.

Notice of such job assignment openings shall be posted for ten (10) days before being permanently filled. The Department may fill the job on a temporary basis until the permanent assignment is made which must be made within thirty (30) days, and may assign an employee to the opening if no one requests the assignment.

C. The job assignments described in paragraph B above shall not include Administrative Lieutenants. The Administrative Staff of the Chief, Executive Deputy Chief and Deputy Chiefs are also excluded from paragraph B.

5/9/85

EXH. NO 8

MSD Date 5-9-85

4. BASIS OF REPRESENTATION

A. No change.

B. No change.

C. No change.

D. No change.

E. No change.

F. No change.

G. No change.

H. No change.

I. No change.

J. Association officers will be allowed a total of 17 days per week to conduct Association business. The president of the Association shall notify the Chief within ten days of the effective date of this agreement of the allocation of this time among the various officers. The President of the Association may not change this allocation more often than once every 6 months. When reductions in force occur the above officers will have top seniority.

K. No change.

L. No change.

M. No change.

N. No change.

O. No change.

P. No change.

7/30/85

JURY DUTY

A. All employees who serve on jury duty on regularly scheduled work days exclusive of leave days, furlough days and holidays will be paid the difference between their pay for jury duty and their regular straight time pay for all days they are required to serve on jury duty.

B. In the event that an employee reports for jury duty but does not actually serve on a jury, he will be paid the difference between the jury pay received and his regular days pay and be excused for the day.

C. In order to receive payment for jury duty supplementation, an employee must have been regularly scheduled to work on a non-overtime basis, must give reasonably prompt prior notice to his supervisor that he has been summoned for jury duty, and must furnish satisfactory evidence that he reported for or performed jury duty on the days for whichne claims such payment, provided that the department head shall have discretion in seeking to have the employee excused when his services are essential. The provisions of this section are not applicable to an employee, who, without being summoned, volunteers for jury duty.

D. Employees shall have the option when called to jury duty to use vacation, bonus vacation or compensatory time for such service. In that event, the employee will not be required to turn in his jury pay. However, the employee must notify the department of his desire to exercise this option prior to the first date of jury service.

If the date for jury duty falls upon a day when the employee is scheduled to work other than platoon 2, the Department, upon request of the employee, will rearrange the employees working schedule so that he will be carried working platoon 2 on that date(s). If the date for jury duty falls upon a holiday an employee is scheduled to work, the employee shall be allowed to attend jury duty without loss of the employee's holiday work opportunity.

F. For payroll purposes, jury duty shall be considered as time worked.

F. An employee on Jury Duty will be continued on the payroll and be paid at his straight time hourly rate of his normally scheduled hours of work. Upon return from jury duty, the employee shall present evidence of the amount received from such jury duty and return that amount to the City, less any mileage allowance paid for the jury service.

If an employee fails to turn in his jury duty payment, the City will hold subsequent payments due to the employee until the City is reimbursed for all time lost due to the alleged jury duty service.

G. Where employees once impaneled are excused for days or parts of days, reimbursement shall be made only for time served. Employees should otherwise be expected to report for work.

2/20/85

10. DISCIPLINE PROCEDURE

Subject to any disciplinary provisions contained in this Agreement and subject to the following disciplinary procedure, the employer and the Association agree to maintain all disciplinary matters as presently existing within the Department.

A. Original Hearings

1. Superior's Written Reprimand -- The first form of discipline shall be at the level of a member's superior officer who shall be empowered to reprimand a member in writing for minor misconduct.

2. Commander's Hearing -- This hearing is the second form of discipline. Upon a full investigation of allegations against an employee, a Commander shall be empowered by the Chief of Police to conduct a hearing and to render a disciplinary penalty.

3. Chief's Hearing -- This hearing is the third form of discipline. Upon a full investigation of allegations against an employee, the Chief may conduct a hearing and render a disciplinary penalty.

4/15/94

4. Trial Board -- The fourth form of discipline is the Trial Board. When serious charges are made against an emplcyee, the matter may be referred tc a Trial Board. The prccedure for Trial Boards shall be maintained as it presently exists.

A. All Trial Boards convened tc consider charges against any member cf the Asscciatien shall be made up cf cne command cfficer cf the rank cf Commander cr higher, and twc command cfficers cf the rank cf Inspector, whc shall be chcsen by lct.

B. The Disciplinary Unit cr its successcr within the Department shall maintain a current list cf all command cfficers cf the rank cf Inspector and abcve whc are emplcyed in a duty status within the Department, with a number assigned tc each such command cfficer.

C. When it shall be necessary tc cenvene a trial board, the Disciplinary Unit, in the presence cf a representative selected by the Association, shall cause numbers assigned tc all such command cfficers tc be placed in an cpaque receptacle

and the numbers corresponding to the names of one officer of the rank of Commander or higher and two officers of the rank of Inspector drawn therefrom at random until the composition of the Trial Board is complete.

D. No command officer shall be selected for more than two (2) trial boards, for members of this bargaining unit, in a calendar month, and no command officer shall be selected for a Trial Board which is convened to consider charges conferred or approved by that command officer.

E. This provision shall not be construed as a waiver of the right of the Association to challenge before the Trial Board so convened, or in court, the seating on a trial board of any command officer who may have bias or prejudice or the appearance thereof in the matter involved or against the member charged in the Trial Board.

4/15/84

5. Board of Police Commissioners -- Subject to the provisions of this Agreement, the Board of Commissioners shall be the final quasi-judicial determinant of guilt or innocence. Instead of hearing an appeal de novo from a Trial Board itself, the Board of Police Commissioners may appoint a fact finder as provided in Section 7-1109 of the Charter of the City of Detroit. The fact finder shall conduct a hearing and report findings to the Board. The Board's disposition of any disciplinary matter shall be final in the line of administrative remedies. An employee may appeal his Trial Board decision to the Board of Police Commissioners.

B. Appeals

1. Any employee not satisfied by a superior's written reprimand may proceed immediately by way of appeal to a Trial Board and then to the Board of Commissioners.

2. Any employee not satisfied with the decision rendered at a Commander's or Chief's hearing may proceed immediately by way of appeal to a Trial Board.

4/5/84

3. Any employee not satisfied with the decision rendered at a Trial Board, whether the Trial Board disposition was the result of an appeal described in Number 2 above, or whether the Trial Board disposition was the result of an original hearing, has the option to proceeding to arbitration as outlined below or to the Board of Commissioners for a de novo hearing as outlined in Number 5 above. In no event shall the employee proceed both to arbitration and to the Board of Commissioners with regard to the same matter.

4. In no event shall any penalty be increased from that rendered in the original hearing.

5. Disciplinary penalties rendered at a Trial Board may be imposed as soon as the member has been served with the written decision of the Trial Board. Appeals shall have no bearing on the time of imposition.

6. Nothing in this Agreement shall abridge a member's rights after his final administrative remedy to proceed to the appropriate court under the remedy allowed by law.

7. Every appeal shall be a total review of guilt or innocence as well as severity of penalty and shall not be limited as to admission of evidence (de novo hearing).

11/5/64

C. Arbitration

1. Arbitration is understood to include a full de novo review appeal pursuant to B(6).

2. Any matter brought to arbitration under this section shall be subject to the arbitration procedure of Section 9, insofar as it is applicable to discipline arbitration.

3. Any employee not satisfied with the decision rendered at a Trial Board, whether the Trial Board disposition was the result of an appeal described in Section A(2) or A(3) above,or whether the Trial Board disposition was the result of an original hearing,may request the union to appeal the Trial Board decision to arbitration. If the union elects to appeal the Trial Board decision to arbitration, based upon the request of the employee, the employee may not process his appeal with regard to the same matter,to the Board of Police Commissioners.

4. In the event arbitration is sought as an alternative, it is to be considered a final administrative remedy but no appeal to a court of law is permitted except in accordance with the provisions of Sections 9 and 10.

11/5/84

5. In arbitration hearings either party may introduce into evidence the Trial Board record of witnesses who appeared in the original Trial Board hearing but are not available to testify at the arbitration hearing. The party wishing to use the Trial Board record must prove its good faith efforts to produce the attendance of the witness at the arbitration hearing.

11. MEMBERS RIGHTS

All Sections except 4 to remain the same.

4. No penalty resulting from any disciplinary hearing, except a penalty which is included in the Trial Board's written decision, will be implemented until the member has exhausted his administrative remedies in accordance with this agreement.

AGREEMENT OF THE PARTIES TO THE ABOVE CONSTITUTES A FULL SETTLEMENT OF ALL OUTSTANDING ISSUES OF ARTICLE 11 OF THE CONTRACT.

4/5/84

47. PERFORMANCE EVALUATION RATINGS

(A) - (C) Unchanged

(D) Any member who wishes to appeal his performance evaluation must make a written request to his commanding officer within thirty days of receiving his copy of the evaluation and must identify each trait he is appealing and cite a brief basis for appealing that rating. The Personnel Bureau will convene the Performance Evaluation Board to hear the matter as expeditiously as circumstances permit. The member shall be entitled to representation by an association representative, legal counsel, or both at the hearing. However, if both attend, only one may actively represent the member at the hearing. If the member desires representation by legal counsel, the Personnel Bureau shall receive five days' notice.

4/5/84

37. HOLIDAYS AND EXCUSED TIME

Add new paragraph to read:

Holiday work opportunities will not be extended to employees on furloughs.

2/20/85

L. S. A. - October 15, 1985

This version of language presented only for purpose of settlement of entire article.

SICK LEAVE

A. Sick Banks: There are two sick banks, current sick bank and seniority sick bank.

1. Current sick bank is designated as that sick time accumulated at the rate of one day for every calendar month in which a member has been credited for not less than eighteen (18) paid time days, excluding overtime. The accumulation of the current sick bank is limited to 125 days.

2. Every member who has a current service status for a full fiscal year shall be credited with five (5) days in his seniority bank on July 1 of each year. The accumulation is limited to 125 days also in this bank.

B. Sick Time Credit: The term "sick time" shall be defined as absence due to illness or injury of the member, to exposure to a contagious disease, and to the attendance upon immediate members of the family of the member of the department living within his household, including husband, wife, children, father, mother, sister, brother, and relatives living in the same household regardless of degree of relationship. The granting of sick time for attendance upon these relatives is not limited to any given number of days per fiscal year; however, no more than three (3) days will be granted in one instance. This sick time is granted to permit the member to make arrangements for care of the ill person so that he may return to duty. When it comes to the attention of the Department that a member is abusing sick leave, the Chief of Police may cause an investigation to be initiated. Such investigation may result in disciplinary action, consistent with this Labor Agreement.

C. Deductions from the Sick Bank: Sick banks, both current and seniority, are designed to provide for non-duty connected illness or disability. No deduction from either current or the seniority sick banks shall be made for any sick time resulting from a service connected illness or disability which is certified by a departmental physician.

Sick time shall be charged first to the current sick bank and secondly, to the seniority sick bank in periods of not less than half-days.

When a member starts his shift but is unable to finish the shift because of sickness, sick time will be deducted in the following manner. If less than four (4) hours has been worked, the member will be charged half a sick day and credited with half a work day. If four or more hours have been worked from the beginning of the shift, the member will be credited with a full work day.

This version of language presented only for purpose of settlement of entire article.

During a period of illness, only that time which would be actual working time will be deducted from the sick bank. Illness or injury during furlough time may be changed to sick time in lieu of the member's furlough, provided such illness or injury during the furlough shall be reported forthwith to the member's commanding officer and to the Medical Section. Such illness or injury will be verified by the Medical Section. The unused portion of the member's furlough will be rescheduled and used immediately following recovery from the illness or injury which made the change necessary.

D. No Home Confinement Generally: An employee unable to perform police duties because of injury or while recuperating from an illness, may absent himself from his home while sick. This right shall not apply to an employee who has been, pursuant to Police Manual Volume IV, Chapter 4, Section 21 properly served with DPD Form 350-A and is under the provisions of DPD-350-A; such an employee if being carried sick for any reason set forth in Article, Section B, of this Agreement, must secure permission from the officer in charge of the unit to which he is assigned, or if his unit is closed, the precinct in which he resides, to absent himself from his place of confinement. Rules of confinement do not apply on leave days.

E. Reporting Illness or Disability: When any member becomes sick, the officer in charge must be notified without delay and informed where the member is confined. If a member is hospitalized, the officer in charge shall be notified and will cause the Medical Section to be notified, during the next regular office hours, of the nature of the illness and the hospital to which the member was admitted. Members unable to report for duty because of sickness shall have their duty station notified not less than one (1) hour before roll call. An employee calling in sick in accordance with this provision will not be allowed to work until his next scheduled tour of duty. Under normal circumstances, department physicians will not make visits to an individual member's home. When attending a sick officer, a department physician shall issue him a notice stating the nature of the illness and whether or not the officer shall remain off duty. The notice must be turned in to the commanding officer when the member returns to duty. A member who is on extended sick leave can, as necessary, be required to keep his commanding officer advised of his incapacity and expected date of return.

F. Limited Duty: Officers placed on limited duty by a department physician shall report immediately with their limited duty authorization slip to an appropriate command designated by the Chief of Police. Said command will determine an appropriate limited duty assignment and notify the member's commanding officer. Limited duty assignments are made by the Chief of Police under the authority granted by Title IV, Chapter 21, Section 14, paragraph (g) of the City Charter and are subject to the limitations thereof.

An officer on limited duty normally shall not wear a uniform except under emergency conditions when ordered by his commanding officer. In such cases, however, the officer shall not leave the building or travel to and from work in uniform.

This version of language presented only for purpose of settlement of entire article.

G. Determination of Sick and Disability Status: It is the responsibility of a department physician to determine whether the illness or injury of a member is duty incurred. When a member sustains an original injury in the performance of duty during his regular duty hours, and is unable to complete his tour of duty, he shall be carried disabled. At all other times, he shall be carried sick until a final determination is made by a department physician. Under no circumstances shall the status of a member being carried sick or disabled be changed in the time book or other department records without the written authorization of a department physician. The department physician shall authorize such change by preparing an inter-office memorandum. Members are automatically assigned to platoon two while disabled.

H. Report for Duty When Ordered: Any member reported fit for duty by a department physician who does not report at the roll call indicated by the physician shall be considered absent without leave.

I. Documentation of Illness: No officer shall be required to substantiate his illness or that of a member of his immediate family with medical verification until the department has complied with Police Manual Volume IV, Chapter 4, Section 21 using forms 350, 350A, 350B, 350C, 350D, all as revised 12/27/76.

J. Return to Duty: To assure proper health safeguards for department personnel, members who are ordered off duty by a department physician due to illness or injury, whether service connected or not, shall not be returned to active or limited duty assignments without being certified for such assignment by a member of the department's medical staff.

K. Illness or Injury Services: In non and/or post emergency cases, police personnel who have incurred a service connected illness or injury must obtain approval from a department physician before securing any type of medical attention or treatment for the illness or injury, including x-rays and dental care. The department will not be liable for costs so incurred unless prior approval is obtained.

Officers who are duty disabled or on limited duty shall report for physical examinations when directed by a department physician or the Medical Section. Furthermore, as a condition for continuing disabled or limited duty status and the benefits thereof, the officers must submit to all reasonable examinations ordered by the department. Failure to do so will lead to immediate termination of such status and benefits.

L. Depletion of Sick Banks: If a member is unable to perform police duties when all his sick banks are exhausted, he shall be dropped from the payroll unless he is eligible for non-duty connected retirement benefits. A member exhausting his sick banks who has completed five (5) or more years of service and who is otherwise eligible for non-duty connected disability retirement, may be retired at his own request or at the request of the Chief of Police subject to the approval of the retirement board.

This version of language presented only for purpose of settlement of entire article.

A member may apply for reinstatement within two (2) years of being removed from the payroll if he recovers sufficiently from his illness or injury to return to duty. He may be reinstated in the same status as when he left upon proper certification by the department physician and appointment by the Chief of Police.

M. Bonus Vacation Days: Bonus vacation days are granted for unused current sick time. Officers who have accumulated a minumum of fifty (50) sick days including both current and seniority days and have a minimum of six (6) years of service on July 1st of each year will be credited with one-half of the unused current sick time from the previous fisal year up to six (6) days. An officer may request to take his bonus vacation days in any sequence by submitting a request in writing to his commanding officer. This request will be reviewed for the availability of personnel by his commanding officer. The department must insure that bonus vacation days are expended proportionately throughout the year and are not carried until the last months of the fiscal year; therefore, on May 1st, the commanding officer shall assign the remaining bonus vacation days at his discretion. Bonus vacation days which are not used prior to the end of the fiscal year will be lost. Seniority will be a prime consideration when several officers request the same period of time off.

N. Retirement and Death Sick Leave Payment: Immediately preceding the effective day of a member's retirement, exclusive of duty and non-duty disability retirement, or at the time of a member's death, he or his estate shall be entitled to pay for his unused accumulated sick banks as follows:

a. A member shall receive a full pay for 50% of the unused accumulated sick bank amounts.

If a member is granted a duty or non-duty disability retirement, he shall be entitled to a reimbursement of unused sick time according to the preceding formula, upon attaining his normal full duty retirement date and petitioning the Chief of Police for such reimbursement.

Union Issue No. 1

WAGES - JULY 1, 1983 through JUNE 30, 1984

Base Salary (a) Effective July 1, 1983 the salaries for all employees shall be increased by 4% over that being paid effective June 30, 1983.

This provision shall be retroactive to July 1, 1983.

Union Issue No. 2

WAGES - JULY 1, 1984 through JUNE 30, 1985

Base Salary (b) Effective July 1, 1984 the salaries for all employees shall be increased by 5% over that being paid effective June 30, 1984.

This provision shall be retroactive to July 1, 1984.

Union Issue No. 3

WAGES - JULY 1, 1985 through JUNE 30, 1986

Base Salary (c) Effective July 1, 1985 the salaries for all employees shall be increased by 5% over that being paid effective June 30, 1985.

This provision shall be retroactive to July 1, 1985.

DIFFERENTIAL - July 1, 1983 through June 30,

In no event shall the percentage differential between the salaries of police investigator and the maximum salary of police officer and the percentage differential between the salary of police sergeant and the maximum salary of police officer and the percentage differential between the salary of police lieutenant and the maximum salary of police officer be less than the following schedule:

Police Investigator	10%

No police investigator currently a member of the Lieutenants & Sergeants Association bargaining unit, shall suffer any reduction in salary or current differential as a result of the execution of this agreement.

Police Sergeant

(1) Upon promotion	20%
(2) Upon confirmation or upon completion of one (1) year in rank, whichever occurs later	21%
(3) Upon completion of three (3) years in rank	22%
(4) Upon completion of four (4) years in rank	23%
(5) Upon completion of six (6) years in rank	24%

No police sergeant, currently a member of the Lieutenants & Sergeants Association bargaining unit, shall suffer any reduction in salary or current differential as the result of the execution of this agreement.

Police Lieutenant

(6) Upon promotion	35%
(7) Upon confirmation or upon completion of one year in rank, whichever occurs last	36%
(8) Upon completion of three (3) years in rank	37%
(9) Upon completion of four (4) years in rank	38%
(10) Upon completion of six (6) years in rank	39%

No police lieutenant, currently a member of the Detroit Police Lieutenants & Sergeants Association bargainig unit shall suffer any reduction in salary or current differential as the result of the execution of this agreement.

This provision shall be retroactive to July 1, 1983.

Union Issue No. 5

DIFFERENTIAL - July 1, 1984 through June 30, 1985

In no event shall the percentage differential between the salaries of police investigator and the maximum salary of police officer and the percentage differential between the salary of police sergeant and the maximum salary of police officer and the percentage differential between the salary of police lieutenant and the maximum salary of police officer be less than the following schedule:

Police Investigator	10%

No police investigator currently a member of the Lieutenants & Sergeants Association bargaining unit, shall suffer any reduction in salary or current differential as a result of the execution of this agreement.

Police Sergeant	
(1) Upon promotion	20%
(2) Upon confirmation or upon completion of one (1) year in rank, whichever occurs later	21%
(3) Upon completion of three (3) years in rank	22%
(4) Upon completion of four (4) years in rank	23%
(5) Upon completion of six (6) years in rank	24%

No police sergeant, currently a member of the Lieutenants & Sergeants Association bargaining unit, shall suffer any reduction in salary or current differential as the result of the execution of this agreement.

Police Lieutenant	
(6) Upon promotion	35%
(7) Upon confirmation or upon completion of one year in rank, whichever occurs last	36%
(8) Upon completion of three (3) years in rank	37%
(9) Upon completion of four (4) years in rank	38%
(10) Upon completion of six (6) years in rank	39%

No police lieutenant, currently a member of the Detroit Police Lieutenants & Sergeants Association bargainig unit shall suffer any reduction in salary or current differential as the result of the execution of this agreement.

This provision shall be retroactive to July 1, 1984.

Union Issue No. 6

DIFFERENTIAL - July 1, 1985 through June 30, 1986

In no event shall the percentage differential between the salaries of police investigator and the maximum salary of police officer and the percentage differential between the salary of police sergeant and the maximum salary of police officer and the percentage differential between the salary of police lieutenant and the maximum salary of police officer be less than the following schedule:

Police Investigator 10%
No police investigator currently a member of the Lieutenants & Sergeants Association bargaining unit, shall suffer any reduction in salary or current differential as a result of the execution of this agreement.

Police Sergeant
(1) Upon promotion 20%
(2) Upon confirmation or upon completion of one (1) year in rank, whichever occurs later 21%
(3) Upon completion of three (3) years in rank 22%
(4) Upon completion of four (4) years in rank 23%
(5) Upon completion of six (6) years in rank 24%

No police sergeant, currently a member of the Lieutenants & Sergeants Association bargaining unit, shall suffer any reduction in salary or current differential as the result of the execution of this agreement.

Police Lieutenant
(6) Upon promotion 35%
(7) Upon confirmation or upon completion of one year in rank, whichever occurs last 36%
(8) Upon completion of three (3) years in rank 37%
(9) Upon completion of four (4) years in rank 38%
(10) Upon completion of six (6) years in rank 39%

No police lieutenant, currently a member of the Detroit Police Lieutenants & Sergeants Association bargainig unit shall suffer any reduction in salary or current differential as the result of the execution of this agreement.

This provision shall be retroactive to July 1, 1985.

Union Issue No. 7

COST OF LIVING ALLOWANCE
July 1, 1983 through June 30, 1984

A. All employees of the bargaining unit will recieve a Cost of Living Allowance in accordance with the following plan.

B. For the purpose of this agreement, the following definitions will apply:

1. Pay Date: is that date indicated on an employee's "Statement of Earning and Deductions" commonly known as a check stub, as "Paid".

2. Payroll Period: is that period of time indicated on an employee's "Statement of Earnings and Deductions" commonly known as a check stub, by the designation "for [m/d/y] to [m/d/y]."

C. Effective October 1, 1983, eligible employees will receive a Cost of Living Allowance according to the following provisions:

1. Cost of Living Allowance will be determined in accordance with increases in the revised Consumer Price Index for Urban Wage Earners and Clerical Workers, Detroit, Michigan. All items (1967=100) based on the 1972-73 Survey of Consumer Expenditures. In the event of discontinuance of the revised Index, an alternate Index will be used.

2. The adjustment for the quarter beginning October 1, 1983 will be effective only for time worked on/or after October 1, 1983. Thereafter, the Cost of Living Allowance will change with the first paycheck issues on/or following the seventh day of the month in which the Cost of Living Allowance changes. The allowance will be paid in each employee's regular paycheck for all hours for which he/she receives pay during the payroll period covered by the paycheck. The paycheck Statement of Earnings and Deductions will show, as a separate item, the amount of the Cost of Living Allowance being paid.

3. In the event of advance paychecks, payroll corrections and other unusual payroll circumstances, the cost of living adjustment will be calculated as of the date an employee would normally have been paid.

4. The amount of Cost of Living Allowance at each quarterly adjustment date will be calculated on the basis of 0.3 increase in the Index equals one cent (1¢) increase per hour. Cost of Living Allowance will be determined by subtracting the Index figure for the last month of the previous quarter according to the following table for each quarterly adjustment. The difference between

the Index figures will be divided by 0.3 to determine the cents per hour increase.

During the period of this Agreement, adjustments in the Cost of Living Allowance, including the establishment of the first allowance, shall be made at the following times according to the Consumer Price Indexes for the months shown:

Quarterly Adjustment Date First paycheck issued on or following:	Monthly Index Figures Determining Quarterly Increase
October 7, 1983	May 1983-August 1983
January 7	August - November
April 7	November - February
July 7	February - May
October 7	

On each pay date, on/or after each date of adjustment, the Cost of Living Allowance that is paid will be the newly adjusted allowance for the payroll period being paid.

5. The Cost of Living Allowance will be expressed in cents per hour and will not exceed twenty cents (20¢) per hour per fiscal year.

6. As soon as reasonably possible after July 1, 1984, July 1, 1985 and July 1, 1986 and effective on these July 1st dates, the Cost of Living Allowance being paid during the preceding June, plus that amount, if any, not included in the allowance due to the 20¢ limit described in Paragraph 5 above, will be added to each employee's base wage rate.

7. In the event that the Bureau of Labor Statistics does not issue an appropriate Index figure ten (10) days before one of the adjustment dates, any adjustment required will be paid retroactively to the adjustment date on the first pay date ten (10) days after receipt of the Index.

D. No adjustments, retroactive or otherwise will be made due to any revision which may later be made in the published Index by the Bureau of Labor Statistics.

E. In the event the parties have not reached agreement on a new contract by July 1, 1986, the COLA formula set out above will continue to exist and payments will be made thereunder,

including the July 1st additions to base rate, until such time as the parties reach agreement on a new collective bargaining agreement.

This provision shall be retroactive to July 1, 1983.

Union Issue No. 8

COST OF LIVING ALLOWANCE
July 1, 1984 through June 30, 1985

A. All employees of the bargaining unit will recieve a Cost of Living Allowance in accordance with the following plan.

B. For the purpose of this agreement, the following definitions will apply:

1. Pay Date: is that date indicated on an employee's "Statement of Earning and Deductions" commonly known as a check stub, as "Paid".

2. Payroll Period: is that period of time indicated on an employee's "Statement of Earnings and Deductions" commonly known as a check stub, by the designation "for [m/d/y] to [m/d/y]."

C. Effective October 1, 1983, eligible employees will receive a Cost of Living Allowance according to the following provisions:

1. Cost of Living Allowance will be determined in accordance with increases in the revised Consumer Price Index for Urban Wage Earners and Clerical Workers, Detroit, Michigan. All items (1967=100) based on the 1972-73 Survey of Consumer Expenditures. In the event of discontinuance of the revised Index, an alternate Index will be used.

2. The adjustment for the quarter beginning October 1, 1983 will be effective only for time worked on/or after October 1, 1983. Thereafter, the Cost of Living Allowance will change with the first paycheck issues on/or following the seventh day of the month in which the Cost of Living Allowance changes. The allowance will be paid in each employee's regular paycheck for all hours for which he/she receives pay during the payroll period covered by the paycheck. The paycheck Statement of Earnings and Deductions will show, as a separate item, the amount of the Cost of Living Allowance being paid.

3. In the event of advance paychecks, payroll corrections and other unusual payroll circumstances, the cost of living adjustment will be calculated as of the date an employee would normally have been paid.

4. The amount of Cost of Living Allowance at each quarterly adjustment date will be calculated on the basis of 0.3 increase in the Index equals one cent (1¢) increase per hour. Cost of Living Allowance will be determined by subtracting the Index figure for the last month of the previous quarter according to the following table for each quarterly adjustment. The difference between

the Index figures will be divided by 0.3 to determine the cents per hour increase.

During the period of this Agreement, adjustments in the Cost of Living Allowance, including the establishment of the first allowance, shall be made at the following times according to the Consumer Price Indexes for the months shown:

Quarterly Adjustment Date First paycheck issued on or following:	Monthly Index Figures Determining Quarterly Increase
October 7, 1983	May 1983-August 1983
January 7	August - November
April 7	November - February
July 7	February - May
October 7	

On each pay date, on/or after each date of adjustment, the Cost of Living Allowance that is paid will be the newly adjusted allowance for the payroll period being paid.

5. The Cost of Living Allowance will be expressed in cents per hour and will not exceed twenty cents (20¢) per hour per fiscal year.

6. As soon as reasonably possible after July 1, 1984, July 1, 1985 and July 1, 1986 and effective on these July 1st dates, the Cost of Living Allowance being paid during the preceding June, plus that amount, if any, not included in the allowance due to the 20¢ limit described in Paragraph 5 above, will be added to each employee's base wage rate.

7. In the event that the Bureau of Labor Statistics does not issue an appropriate Index figure ten (10) days before one of the adjustment dates, any adjustment required will be paid retroactively to the adjustment date on the first pay date ten (10) days after receipt of the Index.

D. No adjustments, retroactive or otherwise will be made due to any revision which may later be made in the published Index by the Bureau of Labor Statistics.

E. In the event the parties have not reached agreement on a new contract by July 1, 1986, the COLA formula set out above will continue to exist and payments will be made thereunder,

including the July 1st additions to base rate, until such time as the parties reach agreement on a new collective bargaining agreement.

This provision shall be retroactive to July 1, 1984.

Union Issue No. 9

COST OF LIVING ALLOWANCE
July 1, 1985 through June 30, 1986

A. All employees of the bargaining unit will recieve a Cost of Living Allowance in accordance with the following plan.

B. For the purpose of this agreement, the following definitions will apply:

1. Pay Date: is that date indicated on an employee's "Statement of Earning and Deductions" commonly known as a check stub, as "Paid".

2. Payroll Period: is that period of time indicated on an employee's "Statement of Earnings and Deductions" commonly known as a check stub, by the designation "for [m/d/y] to [m/d/y]."

C. Effective October 1, 1983, eligible employees will receive a Cost of Living Allowance according to the following provisions:

1. Cost of Living Allowance will be determined in accordance with increases in the revised Consumer Price Index for Urban Wage Earners and Clerical Workers, Detroit, Michigan. All items (1967=100) based on the 1972-73 Survey of Consumer Expenditures. In the event of discontinuance of the revised Index, an alternate Index will be used.

2. The adjustment for the quarter beginning October 1, 1983 will be effective only for time worked on/or after October 1, 1983. Thereafter, the Cost of Living Allowance will change with the first paycheck issues on/or following the seventh day of the month in which the Cost of Living Allowance changes. The allowance will be paid in each employee's regular paycheck for all hours for which he/she receives pay during the payroll period covered by the paycheck. The paycheck Statement of Earnings and Deductions will show, as a separate item, the amount of the Cost of Living Allowance being paid.

3. In the event of advance paychecks, payroll corrections and other unusual payroll circumstances, the cost of living adjustment will be calculated as of the date an employee would normally have been paid.

4. The amount of Cost of Living Allowance at each quarterly adjustment date will be calculated on the basis of 0.3 increase in the Index equals one cent (1¢) increase per hour. Cost of Living Allowance will be determined by subtracting the Index figure for the last month of the previous quarter according to the following table for each quarterly adjustment. The difference between

the Index figures will be divided by 0.3 to determine the cents per hour increase.

During the period of this Agreement, adjustments in the Cost of Living Allowance, including the establishment of the first allowance, shall be made at the following times according to the Consumer Price Indexes for the months shown:

Quarterly Adjustment Date First paycheck issued on or following:	Monthly Index Figures Determining Quarterly Increase
October 7, 1983	May 1983-August 1983
January 7	August - November
April 7	November - February
July 7	February - May
October 7	

On each pay date, on/or after each date of adjustment, the Cost of Living Allowance that is paid will be the newly adjusted allowance for the payroll period being paid.

5. The Cost of Living Allowance will be expressed in cents per hour and will not exceed twenty cents (20¢) per hour per fiscal year.

6. As soon as reasonably possible after July 1, 1984, July 1, 1985 and July 1, 1986 and effective on these July 1st dates, the Cost of Living Allowance being paid during the preceding June, plus that amount, if any, not included in the allowance due to the 20¢ limit described in Paragraph 5 above, will be added to each employee's base wage rate.

7. In the event that the Bureau of Labor Statistics does not issue an appropriate Index figure ten (10) days before one of the adjustment dates, any adjustment required will be paid retroactively to the adjustment date on the first pay date ten (10) days after receipt of the Index.

D. No adjustments, retroactive or otherwise will be made due to any revision which may later be made in the published Index by the Bureau of Labor Statistics.

E. In the event the parties have not reached agreement on a new contract by July 1, 1986, the COLA formula set out above will continue to exist and payments will be made thereunder,

including the July 1st additions to base rate, until such time as the parties reach agreement on a new collective bargaining agreement.

This provision shall be retroactive to July 1, 1985.

Union Issue No. 10

PENSION/OPTIONAL BUYOUT

1. A member shall be entitled at any time prior to when the first payment of any retirement allowance becomes normally due to elect to receive in lieu of any other retirement allowance or pension a lump sum payment in cash which is equal to the actuarial equivalent of the pension benefit he would have received under the system. This entitlement shall be in addition to and not a replacement for Optional Annuity Withdrawal under Article 48 of the contract and any other benefits including but not limited to health insurance and life insurance which inure to a member on retirement.

2. The 10¼%/7¼% table (based upon the 1971 GAM updated to 1984) set forth in this section shall be utilized for computation of benefits. Formula: the pension buyout amount shall be the product of the factor identified in the table below according to the retirement age of the person electing this benefit multiplied by the monthly straight life benefit amount as computed under the applicable provisions of the Pension Plan.

Age	10¼%/7¼%
40	268.242
41	263.968
42	259.605
43	255.164
44	250.651
45	246.074
46	241.439
47	236.749
48	232.008
49	227.220
50	222.387
51	217.508
52	212.586
53	207.619
54	202.608
55	197.550
56	192.443
57	187.284
58	182.071
59	176.806
60	171.509
61	166.194
62	160.868
63	155.533
64	150.193
65	144.862
66	139.566
67	134.346
68	129.200
69	124.131
70	119.161

Persons who have already withdrawn their annuity under Article 48 shall have the buyout computed as if they had not withdrawn their annuity and the amount of the annuity withdrawn shall be subtracted from the resultant sum with the balance payable to the member.

3. The selection of the pension-optional buyout option shall be made to the exclusion of all other pension options available.

4. The pension-optional buyout election shall be irrevocable after it has been selected by an eligible member.

5. Any person who has submitted an Intent to Retire (DPD 156) prior to the expiration of this contract shall be eligible for the pension-optional buyout election.

6. This benefit shall be effective upon the issuance of the arbitration award.

Union Issue No. 11

PENSION - 25 AND OUT

Effective June 30, 1986 the requirement that a member as defined in Article IV, Section I(D) of the Policemen and Firemen Retirement System shall attain age 55 to be eligible for retirement shall be eliminated. Such members will be eligible to retire after 25 years of service regardless of age.

The following language changes in Article 48, Section F are necessary should the Panel adopt the Union's last offer of settlement with respect to 25 and out:

> In addition to the provisions of the collective bargaining agreement, pension charter and ordinance provisions and all other pension rights of members, a member shall have the right on or after the effective date of his becoming eligible for a full service retirement allowance (members who have 25 years of creditable service) to elect to receive a partial or total refund of his accumulated contributions to the Annuity Savings Fund. If a member makes such an election, an annuity payable under any retirement allowance or reduced retirement allowance shall be reduced proportionally. If the total accumulated contributions are withdrawn, no annuity shall be payable. If a member makes such an election, the retirement allowance shall be reduced to reflect the value of the annuity withdrawn. The amount of the annuity at the time of such election shall be the amount used at the time of retirement for purposes of computing the retirement allowance. Members who complete their required years of service, shall have the right to withdraw all or part of their accumulated contributions whether they choose to retire or not.

Union Issue No. 12

MILITARY SERVICE CREDIT

Any member who performed military service prior to employment by the City of Detroit and inclusion in the pension system may claim service credit as a member of the retirement system for time spent in the military service in accordance with Ordinance 356-H of the Ordinances of the City of Detroit.

This provision shall be retroactive to July 1, 1983.

Union Issue No. 13

PENSION - OLD PLAN/NEW PLAN

Members of the Policemen and Firemen Retirement System as defined in the previous charter of the City of Detroit -- Chapter VII of Title IX, Seciton 2 of Article II as adopted by Article II, Section 11-102 of the present charter of the City of Detroit as previously amended to July 1, 1977; who were in the service on or after July 1, 1941 but prior to January 1, 1969 and are still active members shall have the option of retiring under any existing plan of the pension system (i.e., amendment of November 5, 1969 or previous plan) commonly known as new plan and old plan.

This provision shall be retroactive to July 1, 1983.

Union Issue No. 14

PENSION-CHANGE OF OPTION

Members of the police-fire pension system shall be entitled to change their pension option from either option 2 or option 3 to a straight life pension after they have commenced collection of the pension if the member's beneficiary predeceases the member. The actuarial cost of the change in benefit shall be borne by the member who seeks change in his option election.

This provision shall be retroactive to July 1, 1983.

Union Issue No. 15

LUMP SUM PAYMENT OF ACCUMULATED TIME FOR DUTY DISABILITY RETIREES

Persons who are retired on disability pensions pursuant to Article VI B of the police-fire pension system shall be entitled to lump sum payments of all accumulated time from the date that the Board of Trustees determines that they are entitled to such a pension. Members shall not be required to utilize such time delaying their retirement date.

This provison shall be retroactive to July 1, 1983.

Union Issue 16

PAYMENT OF UNUSED SICK LEAVE

Immediately preceding the effective date of a member's retirement, exclusive of duty and non-duty disability retirement, or at the time of a member's death, he or his estate shall be entitled to pay for his unused accumulated sick banks as follows:

A member shall receive full pay for 50%of the unused accumulated sick bank amounts.

If a member is granted a duty or non-duty disability retirement, he shall be entitled to a reimbursement of unused sick time according to the preceding formula, upon attaining his normal full duty retirement date and petitioning the Chief of Police for such reimbursement.

This provision shall be retroactive to July 1, 1983.

Union Issue No. 17

FURLOUGH/VACATION

Effective on the first pay date in November and May of each year, the City will pay each employee, on a separate check, the normal amount of pay for the earned furlough time in that 6 month period.

The employee shall have the option to then utilize his furlough period or to work during that period. If he should choose to work he shall be paid at the normal straight time rate for time worked. Since he has been previously compensated, should he opt to utilize his furlough he will receive no additional compensation.

The declaration to utilize the furlough or not shall be made to the employer at least one month prior to the start of the furlough period.

When a member chooses to work during the furlough period, said period will not become available for other members to select.

This provision shall be effective upon the issuance of the Act 312 Award.

Union Issue No. 18

The Union demands in addition to the current provision on uniform allowance contained in Article 41 of the contract the following provision:

> Effective July 1, 1983 each member of the bargaining unit shall receive an annual uniform cleaning allowance of $250.00 per year payable the first payroll period of each fiscal year.

This provision shall be retroactive to July 1, 1983.

Union Issue No. 19

The Union demands in addition to the current provision on uniform allowance contained in Article 41 of the contract the following provision:

> Effective July 1, 1983 each member of the bargaining unit who is required to wear civilian clothing shall receive an allowance of $400.00 per year for the purchase and replacement of said clothing payable the first payroll period of each fiscal year.

This provision shall be retroactive to July 1, 1983.

City Issue No. 1

DEATH BENEFITS AND LIFE INSURANCE

The Detroit Police Lieutenants & Sergeants Association rejects the City offer and proposes in the alternative:

2. CONTRIBUTIONS

By the City - $20.70 per year per employee
By the employee - 25¢ per week or $13.00 per year

The City's contribution level may be changed in accordance with actuarial recommendations in order to maintain this benefit at $4,900.00 throughout the contract.

City Issue No. 2

WAGES - 1983-4

The Union rejects the City's last position on wages and as its last offer of settlement proposes the language of Union Issue No. 1 incorporated herein by reference.

City Issue No. 3

WAGES - 1984-5

The Union rejects the City's last position on wages and as its last offer of settlement proposes the language of Union Issue No. 2 incorporated herein by reference.

City Issue No. 4

WAGES - 1985-6

The Union rejects the City's last position on wages and as its last offer of settlement proposes the language of Union Issue No. 3 incorporated herein by reference.

City Issue No. 5

DIFFERENTIAL - 1983-4

The Union rejects the City's last position on differential and as its last offer of settlement proposes the language of Union Issue No. 4 incorporated herein by reference.

City Issue No. 6

DIFFERENTIAL - 1984-5

The Union rejects the City's last position on differential and as its last offer of settlement proposes the language of Union Issue No. 5 incorporated herein by reference.

City Issue No. 7

DIFFERENTIAL - 1985-6

The Union rejects the City's last position on differential and as its last offer of settlement proposes the language of Union Issue No. 6 incorporated herein by reference.

City Issue No. 8

COST OF LIVING ALLOWANCE - 1983-4

The Union rejects the City's last position on cost of living allowance and as its last offer of settlement proposes the language of Union Issue No. 7 incorporated herein by reference.

City Issue No. 9

COST OF LIVING ALLOWANCE - 1984-5

The Union rejects the City's last position on cost of living allowance and as its last offer of settlement proposes the language of Union Issue No. 8 incorporated herein by reference.

City Issue No. 10

COST OF LIVING ALLOWANCE - 1985-6

The Union rejects the City's last position on cost of living allowance and as its last offer of settlement proposes the language of Union Issue No. 9 incorporated herein by reference.

City Issue No. 11

LONGEVITY - BENEFIT LEVELS

The Union rejects the City's last position that benefit levels for employees hired after August, 1981 should be different than benefits levels established in the current contract. In the alternative, the Union offers as its last position the status quo found in Article 30, Section B of the current contract (Joint Exhibit 3) which reads as follows:

1. Employees may qualify for the first step of longevity pay, provided they have served as City employees for an accumulated period of five (5) years.

2. Employees may qualify for the second step of longevity pay, inclusive of the first step provided they have served as City employees for an accumulated period of eleven (11) years.

3. Employees may qualify for the third step of longevity pay, inclusive of the first and second steps, provided they have served as City employees for an accumulated period of sixteen (16) years.

4. Employees may qualify for the fourth step of longevity pay, inclusive of the first, second and third steps, provided they have served as City employees for an accumulated period of twenty-one (21) years.

5. The first step of longevity increment shall be one-hundred fifty dollars ($150). The second step of longevity increment, inclusive of the first step, shall be three-hundred dollars ($300). The third step of longevity increment, inclusive of the first and second steps, shall be four hundred-fifty dollars ($450). The fourth step of longevity increment, inclusive of the first, second and third steps, shall be four hundred-fifty dollars ($450) plus one percent (1%) of the employee's base salary.

City Issue No. 12

LONGEVITY PAY - ELIGIBILITY STANDARDS

The Detroit Police Lieutenants & Sergeants Association rejects the City's last position and proposes that the status quo with respect to eligibility standards for longevity pay be continued. The language that the Association desires is found in the current contract in Article 30, Sections C, D and F which read as follows:

C. Employees who have qualified for longevity pay and have accumulated at least 216 days of paid time exclusive of overtime or premium time during the year immediately preceding any December 1st date or other day of payment will qualify for a full longevity payment provided they are on the payroll on the December 1st date or any other date of qualification. Except for employees first qualifying for increments, the payment will be made in a lump sum annually on the first date after December 1st.

D. No employee will be denied a full longevity payment on December 1st because of the temporary unpaid absence of thirty (30) continuous days or less extending through the December 1st date in question.

F. Prorated longevity payments may be made between December 1st dates to qualified employees and officers who separate or take leave from City service, excluding those who are discharged, those who resign and those who resign with a vested pension. Such prorated longevity increment shall be paid for time served on a full calendar month basis since the date of their last longevity payment; provided, that each month shall contain at least eighteen (18) days of service.

City Issue No. 13

PENSION - 40 and 8 BENEFITS

The Detroit Police Lieutenants & Sergeants Association rejects the City's last position and proposes that the status quo be continued wherein employees who leave City employment after being vested are eligible for hospital, medical, or optical benefits provided for other retirees, spouses, dependents or beneficiaries at that retirement date. Union suggests the following language be inserted into the contract:

> Employees who qualify for pension under the vesting provisions of the Police and Fire Retirement System shall be eligible for all hospital, medical, or optical benefits in accordance with past practice, provided for other retirees, spouses, dependents or beneficiaries.

City Issue No. 14

PENSION - 40 and 8 ELIGIBILITY FOR PENSION

The Detroit Police Lieutenants & Sergeants Association rejects the City's last position and proposes that the status quo be continued. The Union proposes the following contract language:

> Employees who leave City employment after being vested under the 40 and 8 provisions shall be eligible for pension benefits, in accordance with past practice, on their normal retirement date.

City Issue No. 15

HOSPITALIZATION, MEDICAL INSURANCE, DENTAL INSURANCE AND OPTICAL CARE

A. The Union accepts the City's last position for the reason that it is identical to the first paragraph of Section A of Article 44 of the current contract.

HOSPITALIZATION, MEDICAL INSURANCE, DENTAL INSURANCE AND OPTICAL CARE

B. The Union rejects the City's last position with respect to paragraph B but proposes in the alternative the following which incorporates the current second paragraph of paragraph A of Article 44 of the current contract and in addition addresses the City's perceived concern of insurance carriers which enroll less than 5% of bargaining unit employees. The proposed language is as follows:

> Employees shall have the option of choosing alternative hospitalization medical coverage made available by the City. The City's contribution to the alternative plans shall be limited to the premium cost of Blue Cross/Blue Shield ward service rates, excluding dental insurance. Total Health Care, Michigan Health Maintenance Organization, Health Alliance Plan and Bankers Life and Casualty shall comprise the list of alternative hospitalization plans. If at the end of any fiscal year an alternative hospitalization plan has failed to enroll 5% of the bargaining unit employees, the City shall have the option of removing the plan from the list of eligible carriers.

HOSPITALIZATION, MEDICAL INSURANCE, DENTAL INSURANCE AND OPTICAL CARE

C. The Detroit Police Lieutenants & Sergeants Association rejects the City's last position with respect to proposed paragraph C, and in the alternative proposes that the status quo be continued which is found in current Article 44, paragraph C which reads as follows:

> For employees who retire on or after July 1, 1977, the City will pay the premium for regular retirees and their spouses.
>
> With respect to employees who are promoted into the bargaining unit on or after July 1, 1982 and who retire after July 1, 1982 and who elect the straight life option under the retirement system, the City will pay no hospitalization premium for the retiree's spouse after the death of the retiree.
>
> With respect to the members promoted into the bargaining unit prior to July 1, 1982, who elect the straight life option, the City will pay hospitalization premium upon retirement for retiree's spouse at the death of the retiree unless said spouse was not the spouse of said retiree at the date of retirement.

HOSPITALIZATION, MEDICAL INSURANCE, DENTAL INSURANCE AND OPTICAL CARE

D. The Union rejects the City's last position with respect to paragraph D and in the alternative proposes that the status quo as set forth in paragraph D of Article 44 of the current contract be continued in the following language:

> Effective July 1, 1982, the City shall improve its Blue Cross hospitalization plan for active employees and their dependents by providing Blue Cross Master Medical Insurance with a twenty percent (20%) co-pay benefit and a fifty dollar ($50.00) per person annual deductible ($100.00 for two or more in a family). The same premium cost for this improvement may also be applied to the Banker's Life program for other benefit improvements in that program as requested by the Union.

HOSPITALIZATION, MEDICAL INSURANCE, DENTAL INSURANCE AND OPTICAL CARE

E. (1) Dental Insurance of Duty Disability Retirees. The Detroit Police Lieutenants & Sergeants Association rejects the City's last position with respect to paragraph E and proposes in the alternative that the current language of the collective bargaining agreement found in paragraph E of Article 44 be continued:

> Effective July 1, 1982, the City will pay to the Dental Plan or program selected by the Union an amount per employee equal to the premium cost for the Blue Cross/Blue Shield program which provides Class I benefits on a 25% co-pay basis and Class II and III benefits on a 50% co-pay basis, with Class I, II and III benefits not to exceed $1,000 per person per year and also orthodonic coverage on a 50% co-pay basis with a $1,000 lifetime maximum for non-union City employees and their dependents.

City Issue No. 20

HOSPITALIZATION, MEDICAL INSURANCE, DENTAL INSURANCE AND OPTICAL CARE

E. (2) Dental Insurance of New Hires. The Detroit Police Lieutenants & Sergeants Association rejects the City's last position with respect to paragraph E and proposes in the alternative that the current language of the collective bargaining agreement found in paragraph E of Article 44 be continued:

> Effective July 1, 1982, the City will pay to the Dental Plan or program selected by the Union an amount per employee equal to the premium cost for the Blue Cross/Blue Shield program which provides Class I benefits on a 25% co-pay basis and Class II and III benefits on a 50% co-pay basis, with Class I, II and III benefits not to exceed $1,000 per person per year and also orthodonic coverage on a 50% co-pay basis with a $1,000 lifetime maximum for non-union City employees and their dependents.

City Issue No. 21

HOSPITALIZATION, MEDICAL INSURANCE, DENTAL INSURANCE AND OPTICAL CARE

F. The Detroit Police Lieutenants & Sergeants Association rejects the City's last position with respect to paragraph F and in the alternative proposes that the current language found in paragraph B of Article 44 be continued which language states as follows:

> The City will provide Optical Care Insurance through the Employee Benefit Board and such benefit will include case hardened lenses. The City will continue to provide optical care through the present carrier, through the Employee Benefit Board.

HOSPITALIZATION, MEDICAL INSURANCE, DENTAL INSURANCE AND OPTICAL CARE

G. The Detroit Police Lieutenants & Sergeants Association accepts the language of proposed paragraph G for the reason that it is identical to the language currently found in paragraph F of Article 44 of the collective bargaining agreement:

> If, during the term of this Agreement, a Federal Health Security Act is enacted, the City of Detroit will pay during the term of the Agreement any premium, taxes or contributions employees may be required to pay under a Federal Health Security Act that are specifically earmarked or designated for the purpose of the Federal Program.

HOSPITALIZATION, MEDICAL INSURANCE, DENTAL INSURANCE AND OPTICAL CARE

H. (1) Coverage for Sponsored Dependents. The Detroit Police Lieutenants & Sergeants Association rejects the last position of the Employer with respect to coverage for sponsored dependents. The Union proposes as its last offer of settlement that the status quo be continued:

> The Employer shall continue to pay the premium cost for insurance for sponsored dependents.

HOSPITALIZATION, MEDICAL INSURANCE, DENTAL INSURANCE AND OPTICAL CARE

H. (2) Coverage for College Age Dependents. The Detroit Police Lieutenants & Sergeants Association rejects the last position of the City of Detroit with respect to health insurance premiums for college age dependents and proposes in the alternative that the family continuation coverage for those persons be continued in accordance with the status quo:

> The Employer shall continue to pay the premiums for family continuation coverage for 19 to 25 year old dependents in accordance with current practice.

City Issue No. 25

HOSPITALIZATION, MEDICAL INSURANCE, DENTAL INSURANCE AND OPTICAL CARE

I. The Detroit Police Lieutenants & Sergeants Association rejects the City's last position with respect to paragraph I and in the alternative proposes that any changes in health insurance be made effective July 1, 1985 or on the date of the issuance of the Award in this matter, whichever is later. The Union proposes the following language:

> Effective July 1 1985 or upon issuance of this Act 312 Award, whichever is later, paragraphs A through D of this Article shall be replaced by paragraphs J through M.

HOSPITALIZATION, MEDICAL INSURANCE, DENTAL INSURANCE AND OPTICAL CARE

J. The Detroit Police Lieutenants & Sergeants Association rejects the City's last position with respect to hospitalization coverage as set forth in proposed paragraph J and in the alternative proposes the following:

> The City shall provide hospitalization and medical insurance based on the Blue Cross/Blue Shield ward service under the Michigan Variable Fee coverage (MVF-2) and the Prescription Drug Group Benefit Certificate with two dollar ($2.00) co-pay (Certificate #87), known as the two dollar ($2.00) deductible Drug Rider for employees and their legal dependents, duty disability retirees and their legal dependents, and duty death beneficiaries and their legal dependents, as provided by Chapter 16, Article 9 of the Municipal Code of the City of Detroit. The cost containment features of Rider PRFS, HPCP-A, HPCP-B, PD-MAC, PCES, and PCES-II shall be applicable to this hospitalization plan. The hospitalization plan for active employees and their dependents shall include Blue Cross Master Medical insurance with a 20% copay benefit and a $50.00 per person annual deductible ($100.00 for two or more in a family). The same premium cost for this hospitalization plan may continue to be applied to the Bankers Life program for other benefit improvements in that program as requested by the Union. Within 30 days of the issuance of this Award the Employer shall open enrollment into the hospitalization program described in this paragraph for a period of thirty days.

HOSPITALIZATION, MEDICAL INSURANCE, DENTAL INSURANCE AND OPTICAL CARE

K. The Union rejects the City's last position with respect to paragraph K but proposes in the alternative the following which incorporates the current second paragraph of paragraph A of Article 44 of the current contract and in addition addresses the City's perceived concern of insurance carriers which enroll less than 5% of bargaining unit employees. The proposed language is as follows:

> Employees shall have the option of choosing alternative hospitalization medical coverage made available by the City. The City's contribution to the alternative plans shall be limited to the premium cost of Blue Cross/Blue Shield ward service rates, excluding dental insurance. Total Health Care, Michigan Health Maintenance Organization, Health Alliance Plan and Bankers Life and Casualty shall comprise the list of alternative hospitalization plans. If at the end of any fiscal year an alternative hospitalization plan has failed to enroll 5% of the bargaining unit employees, the City shall have the option of removing the plan from the list of eligible carriers.

HOSPITALIZATION, MEDICAL INSURANCE, DENTAL INSURANCE AND OPTICAL CARE

L. The Detroit Police Lieutenants & Sergeants Association rejects the City's last position with respect to cost sharing and in the alternative proposes that the status quo continue:

> The City shall pay 100% of the premiums for the cost of hospital and medical insurance set forth in paragraph J.

HOSPITALIZATION, MEDICAL INSURANCE, DENTAL INSURANCE AND OPTICAL CARE

M. (1) Health Insurance - spouse.

The Detroit Police Lieutenants & Sergeants Association rejects the City's offer and proposes that the status quo continue:

For employees who retire on or after July 1, 1977, the City will pay the premium for regular retirees and their spouses.

With respect to employees who are promoted into the bargaining unit on or after July 1, 1982 and who retire after July 1, 1982 and who elect the straight life option under the retirement system, the City will pay no hospitalization premium for the retiree's spouse after the death of the retiree.

With respect to the members promoted into the bargaining unit prior to July 1, 1982, who elect the straight life option, the City will pay hospitalization premium upon retirement for retiree's spouse at the death of the retiree unless said spouse was not the spouse of said retiree at the date of retirement.

City Issue No. 30

HOSPITALIZATION, MEDICAL INSURANCE, DENTAL INSURANCE AND OPTICAL CARE

M. (2) Premium Sharing.

The Detroit Police Lieutenants & Sergeants Association rejects the City's offer with respect to premium sharing and proposes the following:

> The Employer shall pay 100% of the premiums for the insurance provided by this paragraph.

City Issue No. 31

HOSPITALIZATION, MEDICAL INSURANCE, DENTAL INSURANCE AND OPTICAL CARE

N. The Detroit Police Lieutenants & Sergeants Association rejects the City's last position with respect to paragraph N and in the alternative proposes the following:

The parties agree to form a health care cost containment committee made up of an equal number of members from the City and from the DPLSA which may review changes in the future in health insurance plans. Any proposed changes must be ratified by each of the parties in ~~accordance with their normal ratification procedures~~. Matters not ratified by both sides may not be implemented.

HOSPITALIZATION, MEDICAL INSURANCE, DENTAL INSURANCE AND OPTICAL CARE

O. The Union accepts the City's last position with respect to paragraph O which shall be as follows:

No insurance carrier shall be allowed to underwrite City health care benefits unless it offers coordination of benefits.

SICK LEAVE

A. The Detroit Police Lieutenants & Sergeants Association rejects the City's last position that the number of days allowed to be accumulated in the seniority bank be limited to three days per year without uncapping the amount of sick time which may be accumulated as set forth in paragraph A. In the alternative to the City's position the Union proposes the following:

A. Sick Banks: There are two sick banks, current sick bank and seniority sick bank.

a. Current sick bank is designated as that sick time accumulated at the rate of one day for every calendar month in which a member has been credited for not less than eighteen (18) paid time days, excluding overtime. The accumulation of the current sick bank shall be unlimited.

b. Every member who has a current service status for a full fiscal year shall be credited with three (3) days in his seniority bank on July 1 of each year. The accumulation is limited to 125 days in this bank.

SICK LEAVE

B. The Detroit Police Lieutenants & Sergeants Association rejects the City's last position on paragraph B and proposes in the alternative the status quo:

> Sick Time Credit: The term "sick time" shall be defined as absence due to illness or injury of the member, to exposure to a contagious disease, and to the attendance upon immediate members of the family of the member of the Department living within his household, including husband, wife, children, father, mother, sister, brother, and relatives living in the same household regardless of degree of relationship. The granting of sick time for attendance upon these relatives is not limited to any given number of days per fiscal year; however, no more than three (3) days will be granted in one instance. This sick time is granted to permit the member to make arrangements for care of the ill person so that he may return to duty.

SICK LEAVE

C. (1) Sick Time Deduction Rate. The Detroit Police Lieutenants & Sergeants Association rejects the City's last position with respect to sick time deduction rate and in the alternative proposes the status quo:

> Sick banks, both current and seniorty, are designed to provide for non-duty connected illness or disability. No deduction from either current or the seniority sick banks shall be made for any sick time resulting from a service commected illness or disability which is certified by a department physician.
>
> Sick time shall be charged first to the current sick bank and secondly, to the seniority sick bank in periods of not less than half-days.
>
> When a member starts his shift but is unable to finish the shift because of sickness, sick time will be deducted in the following manner. If less than four (4) hours has been worked the member will be charged half a sick day and credited with the half a work day. If four or more hours have been worked the member will be credited with a full work day.
>
> During a period of illness, only that time which would be actual working time will be deducted from the sick bank. Illness or injury during furlough time may be changed to sick time in lieu of the member's furlough, provided such illness or injury during the furlough shall be reported forthwith to the member's commanding officer and to the Medical Unit. Such illness or injury will be verified by the Medical Unit. The unused portion of the member's furlough will be rescheduled and used immediately following recovery from the illness or injury which made the change necessary.

SICK LEAVE

C. (2) Authorized Use of Sick Time Prior to Reporting to Duty. The Detroit Police Lieutenants & Sergeants Association rejects the City's last position on this subject and proposes in the alternative:

> Sick banks, both current and seniorty, are designed to provide for non-duty connected illness or disability. No deduction from either current or the seniority sick banks shall be made for any sick time resulting from a service commected illness or disability which is certified by a department physician.
>
> Sick time shall be charged first to the current sick bank and secondly, to the seniority sick bank in periods of not less than half-days.
>
> When a member starts his shift but is unable to finish the shift because of sickness, sick time will be deducted in the following manner. If less than four (4) hours has been worked the member will be charged half a sick day and credited with the half a work day. If four or more hours have been worked the member will be credited with a full work day.
>
> During a period of illness, only that time which would be actual working time will be deducted from the sick bank. Illness or injury during furlough time may be changed to sick time in lieu of the member's furlough, provided such illness or injury during the furlough shall be reported forthwith to the member's commanding officer and to the Medical Unit. Such illness or injury will be verified by the Medical Unit. The unused portion of the member's furlough will be rescheduled and used immediately following recovery from the illness or injury which made the change necessary.

SICK LEAVE

D. The Detroit Police Lieutenants & Sergeants Association rejects the City's last position on paragraph D and proposes in the alternative, the status quo:

> No Confinement: An employee unable to perform police duties because of injury or while recuperating from an illness may absent himself from his home while sick.
>
> This right shall not apply to an employee who has been, pursuant to Police Manual Volume IV, Chapter 4, Section 21, properly served with a DPD Form 350 and is under the provisions of DPD-350; such an employee, if being carried sick, must notify the officer in charge of the unit to which he is assigned or if his unit is closed, the precinct in which he resides, that he is leaving his place of confinement. If this occurs on a leave day the rules of confinement do not apply.

SICK LEAVE

E. The Detroit Police Lieutenants & Sergeants Association rejects the City's last position on paragraph E and proposes in the alternative:

> E. Reporting Illness or Disability: When any member becomes sick, the officer in charge must be notified without delay and informed where the member is confined. If a member is hospitalized, the officer in charge shall be notified and will cause the Medical Section to be notified, during the next regular office hours, of the nature of the illness and the hospital to which the member is admitted. Members unable to report for duty because of sickness shall have their duty station notified not less than one (1) hour before roll call. Under normal circumstances, Department physicians will not make visits to an individual member's home. When attending a sick officer, a department physician shall issue him a notice stating the nature of the illness and whether or not the officer shall remain off duty. The notice must be turned in to the commanding officer when the member returns to duty.

SICK LEAVE

F. The Detroit Police Lieutenants & Sergeants Association rejects the City's last position on paragraph F and proposes in the alternative:

> Limited Duty: Officers placed on limited duty by a department physician shall report immediately with their limited-duty authorization slip to the Personnel Admnistration Division which will determine an appropriate limited duty assignment and notify the member's commanding officer.
>
> Officers on limited duty shall report for physical examinations when directed by a department physician or the Medical Section. When officers are taken off limited duty, they shall report immediately with their authorization slip to the Personnel Administration Division which will notify the member's commanding officer. Limited duty assignments are made by the Chief of Police under the authority granted by Title IV, Chapter 21, Section 14, paragraph (g) of the City Charter and are subject to the limitations thereof.
>
> An officer on limited duty normally shall not wear a uniform except under emergency conditions when ordered by his commanding officer. In such cases, however, the officer shall not leave the building or travel to and from work in uniform.

SICK LEAVE

G. The Detroit Police Lieutenants & Sergeants Association rejects the City's last position on paragraph G and proposes in the alternative:

> Determination of Sick or Disability Status: It is the responsibility of a department physician to determine whether the illness or injury of a member is duty incurred. when a member sustains an original injury in the performance of duty during his regular duty hours, and is unable to complete his tour of duty, he shall be carried disabled. At all other times, he shall be carried sick until a final determination is made by a department physician. Under no circumstances shall the status of a member being carried sick or disabled be changed in the time book or other department records without the written authorization of a department physician. The department physician shall authorize such change by preparing a inter-office memorandum. Members are automatically assigned to platoon 2 while disabled.

SICK LEAVE

H. The Detroit Police Lieutenans & Sergeants Association rejects the City's last position on paragraph H and proposes in the alternative:

> Report for Duty When Ordered: Any member reported fit for duty by a department physician who does not report at the roll call indicated by the physician shall be considered absent without leave.

City Issue No. 42

SICK LEAVE

I. (1) Documentation of Family Illness: The Detroit Police Lieutenants & Sergeants Association rejects the City's last position with respect to documentation of family illness and in the alternative proposes the status quo:

> No officer shall be required to substantiate his illness with medical verification until the department has complied with Police Manual, Volume IV, Chapter 4, Section 21, using forms 350, 350A, 350B, 350C, 350D, all revised 12/27/76.

City Issue No. 43

SICK LEAVE

I. (2) Sick Leave Abuse Control. The Detroit Police Lieutenants & Sergeants Association rejects the City's last position with respect to sick leave abuse control and in the alternative proposes the status quo:

> No officer shall be required to substantiate his illness with medical verification until the department has complied with Police Manual, Volume IV, Chapter 4, Section 21, using forms 350, 350A, 350B, 350C, 350D, all revised 12/27/76.

SICK LEAVE

J. Neither party has proposed any changes in the current paragraph J which the parties agree should read as set forth in current language as follows:

> Return to Duty: To assure proper health safeguards for departmental personnel, members who are ordered off duty by a department physician due to illness or injury, whether service connected or not, shall be returned to active or limited duty assignments without being certified for such assignment by a member of the Department's medical staff.

SICK LEAVE

K. The Detroit Police Lieutenants & Sergeants Association rejects the City's last position on paragraph K and proposes in the alternative:

> Illness or Injury Services: In non and/or post emergency cases, police personnel who have incurred a service connected illness or injury must obtain approval from a department physician before securing any type of medical attention or treatment for the illness or injury, including x-rays and dental care. The Department will not be liable for costs so incurred unless prior approval is obtained.

SICK LEAVE

L. The Detroit Police Lieutenants & Sergeants Association rejects the City's position in its proposed paragraph L and in the alternative proposes that status quo continue and that there be no language with respect to the subject matter of that proposal in the contract.

SICK LEAVE

M. The Detroit Police Lieutenants & Sergeants Association rejects the City's position in its proposed paragraph M and in the alternative proposes that status quo continue and that there be no language with respect to the subject matter of that proposal in the contract.

City Issue No. 48

SICK LEAVE

N. The Detroit Police Lieutenants & Sergeants Association rejects the City's position in its proposed paragraph N and in the alternative proposes that status quo continue and that there be no language with respect to the subject matter of that proposal in the contract.

SICK LEAVE

O. Neither party has proposed any changes in the current paragraph L which the parties agree should read as set forth in current language as follows:

> Depletion of Sick Banks: If a member is unable to perform police duties when all his sick banks are exhausted, he shall be dropped from the payroll unless he is eligible for non-duty connected retirement benefits. A member exhausting his sick banks who has completed five (5) or more years of service and who is otherwise eligible for non-duty connected disability retirement, may be retired at his own request or at the request of the Chief of Police subject to the approval of the retirement board.
>
> A member may apply for reinstatement within two (2) years of being removed from the payroll if he recovers sufficiently from his illness or injury to return to duty. He may be reinstated in the same status as when he left upon proper certification by the department physician and appointment by the Chief of Police.

SICK LEAVE

P. Neither party has proposed any changes in the current paragraph M which the parties agree should read as set forth in current language as follows:

> Bonus Vacation Days: Bonus vacation days are granted for unused current sick time. Officers who have accumulated a minimum of fifty (50) sick days including both current and seniority days and have a minimum of six (6) years of service on July 1st of each year will be credited with one-half or the unused current sick time from the pervious fiscal year up to six (6) days. An officer may request to take his bonus vcation days in any sequence by submitting a request in writing to his commanding officer. This request will be reviewed for the availability of personnel by his commanding officer. The Department must insure that bonus vaction days are expended proportionately throughout the year and are not carried until the last month of the fiscal year; therefore, on May 1st, the commanding officer shall assign the remaining bonus vacation days at his discretion. Bonus vacation days which are not used prior to the end of the fiscal year will be lost. Seniority will be a prime consideration when several officers request the same period of time off.

City Issue No. 51

SICK LEAVE

Q. The Detroit Police Lieutenants & Sergeants Association rejects the City's proposal that the status quo continue with respect to payment for unused sick leave and incorporates by reference herein the Union's proposal as set forth in its Issue 16.

December 7, 1985

IN THE MATTER OF STATUTORY
ARBITRATION PURSUANT TO ACT
312 BETWEEN THE CITY OF DETROIT
AND THE DETROIT POLICE LIEUTENANTS
AND SERGEANTS ASSOCIATION MERC CASE
NO. D83-B487

DISSENT OF CITY PANEL DELEGATE MARK R. ULICNY
ON ECONOMIC ISSUES

As the City's delegate, I find it necessary to enter my formal dissent on various issues as awarded by the panel majority chaired by Mr. Richard Strichartz. This dissent will be in order of the last best offers on economic issues as submitted by each party.

Union Issue No. 11 - Pension Twenty-five and Out

When the so called new pension plan was adopted in 1969 for employees of the police and fire services, it was designed to avoid the costly escalation in pension benefits which resulted primarily from the requirement in the old plan that benefits for all retirees be adjusted to parallel increases in wage rates granted to active police officers. A flat non-cumulative two percent annual escalator was included in the new plan to limit those costs and to encourage longer service (which would reduce turnover and training costs) by allowing up to thirty-five years of credited service. This would mean an employee could retire with seventy percent of current salary instead of fifty percent. An age qualifier was also included so that a new plan member would have to reach age fifty-five and have at least twenty-five years of service to be eligible for a pension.

In 1981, as a result of what was known as "concessionary" bargaining with the City's unions a change in this provision was negotiated with the Detroit Police Officers Association removing the age 55 limit for new plan members effective at the end of that contract period. The cost resultant from this change was equivalent to an actuarial value of approximately two percent of salary. In bargaining with the Detroit Police Lieutenants and Sergeants Association that same year, the same change was proposed. At that time, the union stated that such a change would affect very few of their membership and in lieu of that change they wanted the salary differential for all of their members increased by two percent effective at the end of the contract period. The union now seeks to remove the age fifty-five limit but, of course, demands the retention of the two percent increase in the differentials.

While it appears that the cost for making this change as applied to the Lieutenants and Sergeants Association will be modest, the award is made without evidence of the real cost to the city. The same is true for several other union pension issues which follow. The reason for this is that the employee dominated police fire pension board refused repeated requests, including a specific request from Chairman Strichartz, to have the board's actuary compute the cost of these pension demands. The board's actuary, Gabriel, Roeder, Smith, & Co., has historically provided this information on pension changes for at least the last twenty years and is therefore best able to provide the most accurate costing. With no explanation as to the board's reluctance to permit such costing even though the president of the LSA sits as a member of this pension board, the union simply maintained that the city should request some other actuarial service to compute these costs. Since the moving party or the party proposing the change normally has the burden of providing such information, I think the decision to grant this union demand is improper and contrary to the provision of §9 of Act 312.

Union Issue No. 12 - Military Service Credit

This was also a pension improvement negotiated by the DPOA in 1981 and again is a change which probably has a modest cost impact. But with no actuarial evaluation we have no way of measuring the financial effect and the cost remains a question mark.

Union Issue No. 13 - Pension Old Plan/New Plan

At the time the new plan took effect in 1969 all members of the police and fire retirement system were given an option to either remain as a member of the old pension plan or to elect coverage under the new plan. This was done in order to actuarially predict the relative cost and the necessary contributions to fund each plan. Now many employees from this group will be able to select the plan benefits at the time of retirement. Since this union demand is also retroactive to July 1, 1983 a number of post retirement selections may be made by former members of this bargaining unit. Here again no cost information was offered or received.

Union Issue No. 14 - Pension Change of Option

With this demand the union seeks to legitimize actions which the employee dominated pension board has taken in several recent cases to permit retired members the opportunity to revert to higher straight life benefits following the post retirement change in their marital status. In addition, the way the union's last offer is drafted, it will allow the retiree the opportunity to select and exercise an option to revert at any

time during the period of retirement on the death of a designated beneficiary. The cost of providing this opportunity for adverse selection is Presumably to be borne by the retiring member under the terms of the union's LBO. However, it is known that with more options available there is a greater chance that the actuarial costs will be underestimated requiring the city to fund the shortfall.

Union Issue No. 15 - Lump Sum Payment of Accumulated Time for Duty Disability Retirees

Without question, an officer injured and disabled in the line of duty should receive an adequate form of income protection in order to maintain himself and his family during the period of disability. However, by granting the union demand on this issue, officers who retire duty disabled for any reason may receive for a period of time, two-thirds more in income than an active able bodied colleague. This results because a lump sum payment for accumulated vacation, compensatory, or excused time permits the retiring officer to receive his disability retirement benefits immediately rather that at the end of the time when he would normally be removed from the payroll. The cost to provide this new benefit, like the other pension issues, is unknown.

Union Issue No. 16 - Payment of Unused Sick Leave

In part the panel majority's decision to grant the union's demand is due to the fact that a similar benefit was negotiated by most of the city's civilian work force. While I believe this to be a legitimate comparison, this benefit as with all other benefits, cannot be viewed in isolation but must be kept in the context of total compensation. With that kind of comparison, especially after the majority decision in this case, one can easily see that the package of wages and benefits for this group outstrips that of other city unions (except those in the Fire service on a parity basis with LSA members.)

It should also be noted that in 1981 when all city labor contracts were negotiated, including those with the police and fire unions, an equilibrium was reached wherein the respective unions reviewed the contracts negotiated by their counterparts and were permitted to return to the bargaining table to request adjustments in various wage or benefit areas so that none of the unions would be "economically disadvantaged" as compared to any of the other unions. In this proceeding as with the other Act 312 cases, the city has proposed the same basic wage and benefit adjustments as that negotiated with approximately fifty of the other city employee unions in 1983. Therefore, this change, as well as the other improvements granted by the majority panel over and above the city offer, can only serve to distort that carefully crafted relationship.

Union Issue No. 18 - Uniform Cleaning Allowance

For this union demand, the panel will spend $750,000.00 over the term of the contract in order to place an additional $250.00 per year in the pay check of each employee. These payments are to be labeled as uniform cleaning allowances but, of course, for those employees receiving the allowance it means only one thing, more money. To the city it means the same thing as the other union demands granted by the panel majority; less money for services. In this case, it represents the services of fifteen full time police officers for one year.

Until this decision, no city of Detroit employees have ever received a uniform cleaning allowance. Other cities may have such allowance but generally the total compensation for their employees compares less favorably to that of the total compensation paid to their Detroit counterparts which averaged about $65,000.00 per year (before the improvements granted by the panel majority in this case). In addition, no such allowance is paid to city of Detroit police officers, most of whom must actually wear their uniforms on a daily basis, whereas many lieutenants and sergeants regularly wear civilian clothes while on duty.

City Issue No. 1 - Health Insurance for Retirees' Spouse

Prior to an arbitration decision in early 1980, hospitalization benefits for surviving spouses of option one retirees were not continued. The reason for this was that option one retirees receive the maximum amount of monthly benefits. A surviving spouse therefore would not receive a pension or other benefits as would the beneficiaries of those retiring under one of the other options which were designed to provide reduced benefits over and beyond the lifetime of the retiree . In choosing among the options available, it was presumed that after counselling, each individual made an informed decision based upon his or her circumstances and need.

In order to continue uniformity among the members of the police and fire retirement system, the city's last best offer was to ask this panel to adopt the award as issued in the DPOA Act 312 proceedings where the same change had been proposed. In that case, the panel majority ruled in favor of the city's position. Here the panel majority, as in other issues that had previously been of equal application to all uniformed officers, seems determined to upset that balance.

City Issue No. 4 - Health Insurance for Sponsored Dependants

In its attempt to reduce health care costs, the city in its negotiations with all civilian unions in 1983 successfully eliminated city payment for sponsored dependents, something that no other employer in the state of Michigan was required to pay. However, to again maintain health care uniformity among the Police and Fire services, the city's last best offer to the LSA was to apply the same benefit as that applied to DPOA members. While this benefit cost is certainly small compared to others, it nevertheless represents a sincere effort to reduce unwarranted health care cost. When considering that LSA members make as much as 39% more in salary than police officers the award here seems to be almost a deliberate insult to those groups that, although grudgingly, did in fact agree to limit this cost, as did the DPOA. Now there is only one group of employees in the entire state of Michigan with this benefit.

City Issue No. 5 - Health Insurance
for Nineteen to Twenty-five Year Old Dependents

This city proposal was another of the health care cost containment proposals which was initially negotiated with all of the city's civilian unions. As in City Proposal No. 4 above, the employee would still be able to continue coverage for these dependents but at their own cost for the additional premiums. Again the city's LBO here would unify this provision with that applied to the DPOA. Again the panel majority here inexplicably has determined that this group shall stand apart from all others.

City Issue No. 6 - Health Care Cost Containment Measures

Although the panel majority in adopting the union proposal in response to this city issue in effect adopts the cost containment measures which the city has proposed, the union last best offer incorporates ambiguous language related to an optional banker's life program which if wrongly interpreted could have the effect of eliminating any savings achieved.

City Issue No. 13 - Death Benefit Contribution Right

For many years city employees, civilian and non-civilian alike, have contributed to what is known as a death benefit fund which pays upon the death of an employee $4,900.00. This was also known as a burial fund. Until renegotiated with all other unions, the annual city contribution to this fund amounted to $20.70 per year per employee and each

employee contributed a total of $13.00 per year. Because the fund has been in excess for several years, all of the city's unions (except the LSA) have agreed to reductions in the premium for both the city and the employees. Though it appears the lower premium will indefinitely maintain the same benefit, a safety valve was included which would permit adjustment of the benefit in the event of a deficiency in the fund.

In its LBO, the city again aligned this benefit to duplicate that accorded the DPOA. The panel majority, however, to avoid being accused of reducing a benefit, which of course all good unions are opposed to, adopted the LSA position to maintain the status quo.

It should be said, however, that while good unions are opposed to any reduction in benefits, they often collectively recognize the real need to balance the interest of their members with that of their employer and sometimes such reductions in benefits do occur.

Conclusion

The City of Detroit and the Detroit Police Lieutenants and Sergeants Association began compulsory arbitration hearings under Act 312 in early 1984 for the contract period July 1, 1983 through June 30, 1986. Approximately a year and a half later, we now have the terms of the economic contract as established by the majority decision of the panel. If the non-economic issues are decided soon, these parties will have a complete labor contract which will then be in effect for about 90 to 120 days before negotiations on a successor contract begins for the contract period July 1, 1986 through June 30, 1989.

Those negotiations obviously will have to be conducted without the normal experience gained through administration of of a collective bargaining agreement over its term. Changes to the party's relationship as awarded by the majority of this panel may have effects and repercussions that remain unknown or unrecognized at the time when even further changes are being contemplated. It is a recipe which, if repeated, will result in ever growing confusion, distrust, and dissatisfaction.

Unfortunately, the delay is probably inherent because in Act 312 proceedings the matters at issue are carefully contested. Each proposal, whether from the union or the city can of course be supported by some rationale. Testimony from witnesses and experts, evidence from other labor contracts, cost analysis, charts, graphs, and etc. are often used to prove the merits (or the demerits) of each proposal. In true collective bargaining, the give and take required to reach a settlement

often means that many proposals, even if there is no dispute as their merit, are withdrawn or otherwise compromised so that the prime objective, i.e. settlement, can be reached. In the 312 process, there is no need to withdraw proposals and in fact, as experience has shown, the more proposals that are presented by the union, the more likely it is that one or more of them will turn up a winner or at least provide counter weights to other issues. This strategy is, or course, greatly encouraged by the Act under the last best offer issue by issue format.

Therefore, it is not altogether surprising that the arbitration process, which in most cases is preceded by proforma "negotiations" and perfunctory mediation, requires an enormous amount of time. Since adjustments are generally made retroactive to the beginning of the contract period, there is no disadvantage or disincentive to litigating each issue to the utmost.

Lastly, I wish to say that the need for this dissent has stirred a certain melancholy frustration that is difficult to ignore in quiet moments.

It stems from the belief that this decision will probably disappoint both the City and the union membership. That means that neither party will have a great desire to work within the terms of this "contract". Having no voice to accept or reject its terms an employee may simply reevaluate the quality or quantity of service rendered. Management on the other hand may also have to reevaluate service levels to pay for unexpected costs. Is this the way it has to be? For those who have never been involved in the collective bargaining process, it may be difficult to understand why an "impartial" third party cannot simply apply cool reasoned wisdom and thereby achieve the peace treaty that both parties seek. The reasons why this cannot happen are several. The foremost of which is that it is impossible to find an impartial human being who has lived beyond the date of consciousness. All of us carry social, moral, political, and emotional baggage that shapes and controls our behavior and attitudes. If pure academic reasoning was truly available which could convince the belligerent parties of the merits of each decision the private sector would have long ago gratefully accepted this process. Indeed the United Nations would perhaps now be home to the academy of arbitrators.

The reality is, however, that mutual respect can only be gained by seeing first hand the best and the worst that each side has to offer. There is no doubt that in face to face bargaining, misjudgments, mistakes, and bad deals are sometimes made. But if a bad deal cannot be immediately repaired there remains a need for both parties to observe the terms of the deal since it was reached by mutual consent. A relationship imposed by a third party gives an easy excuse to subvert its requirements.

The answer must be, as in other areas of democratic decision making, one which accords to these parties the full persuasive power of their respective constituencies. The sooner that is possible, the sooner these parties can begin to solve problems rather than continually attempting to assess the blame.

Mark R. Ulicny
Delegate for the
City of Detroit

0213D

ADDENDUM TO AWARD

In the matter of
City of Detroit
&
Detroit Lieutenants
&
Sergeants Association
MERC Case No: D83-B-487

Economic Award

Add following the last sentence on p. 90: "The subsections and language of article 44 not addressed in this award shall remain in effect and continue as they appear in the current collective bargaining agreement (Joint Exhibit no. 3).

P. 12 Add to last sentence of second full paragraph ", well within the capacity of the City and certainly in the interest and the welfare of the public."

Richard Strauchen

Dec 9, 1985

12-9-85