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STATE OF MICHIGAN
EMPLOYMENT RELATIONS COMMISSION
DEPARTMENT OF LABOR AND ECONOMIC GROWTH
ACT 312 ARBITRATION

IN THE MATTER OF:

THE CHARTER TOWNSHIP OF PLYMOUTH,
Public Employer

-and-

PLYMOUTH TOWNSHIP PROFESSIONAL
FIRE FIGHTERS ASSOCIATION, LOCAL 1496,
IAFF, AFL-CIO
Labor Organization

MERC CASE NO. D06 G-1669

Arising Pursuant to Act 312,
Public Acts of 1969, As Amended

PANEL:

C. Barry Ott, Chairman
Ronald R. Helveston, Local 1496 Delegate
Eric W. Cholack, Employer Delegate

FOR THE EMPLOYER:

Eric W. Cholack, P43901
Roumell, Lange & Cholack, P.L.C.
314 Town Center Drive
Troy, Michigan 48084

FOR THE LABOR ORGANIZATION:

Ronald R. Helveston, P14680
Helveston & Helveston, P.C
65 Cadillac Square, Suite 3327
Detroit, Michigan 48226

FINDINGS, OPINION AND ORDERS

This compulsory arbitration case arises pursuant to a Petition filed by the Labor Organization with the Michigan Employment Relations Commission under 1969 PA 312, MCL 423.231 *et seq.*, on March 30, 2007. The Chairman of the arbitration panel was appointed by MERC on May 4, 2007. A pre-hearing conference was held on May 31, 2007 at the MERC offices in Detroit. The Parties exchanged position statements on June 25, 2007. Hearings were held on September 18, October 18, 26, November 14, 27, December 12, 2007 and January 18, February 5, 11, 2008. Final “last best offers” were submitted on March 5, 2008. Post hearing briefs were submitted on May 19, 2008. The Parties have agreed to waive the time limits associated with Act 312 and stipulated that the disputed issues exchanged between the Parties are the only issues in dispute and are properly before the arbitration panel. The Parties are in agreement that the extant collective bargaining agreement between them together with any tentative agreements reached in negotiations and the provisions of the Opinion and Award of this arbitration panel shall constitute the complete agreement between the parties for a successor collective bargaining agreement covering the term of April 1, 2006 through March 31, 2009.

ISSUES IN DISPUTE

There are some twenty-one issues in dispute as characterized by the following list of titles. Some of the issues subdivide as separate issues. We will address these issues in the order that is deemed appropriate by the panel and not as listed below.

1. Duty Death Benefit. (Union)
2. Education. (Union)
3. Non-Duty Injury. (Union)
4. Duty Injury. (Union)
5. Health Insurance, twenty-five years of service. (Union)
6. Health Insurance, Medicare premiums. (Union)
7. Health Care/Insurance Changes. (Union and Employer)
8. Lieutenant's Staffing at Station #2. (Union)
9. Paramedic Bonus. (Union)
10. Retroactivity. (Union and Employer)
11. Sick Leave Accumulation. (Union)
12. Wages. (Union and Employer)
13. Discipline. (Union)
14. Health Care/Coverage and Premium Sharing. (Employer)
15. Overtime Calculation. (Employer)
16. Sick Leave/Physician excuses. (Employer)
17. Use of Sick Leave Supplemental Bank. (Employer)
18. Holiday Payments. (Employer)
19. Vacation Scheduling. (Employer)
20. Hazardous Materials Team Bonus, retroactivity. (Employer)
21. Ability to Pay. (Employer)

DECISION MAKING CRITERIA

The basis for an arbitration panel's Findings, Opinion and Orders are factors, as applicable, contained in Section 9 of Act 312 of 1969, as amended, being (MCL 423.239), which provides:

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

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

- (f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- (g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- (h) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact finding, arbitration or otherwise between the parties, in the public or in private employment.

The disputed issues previously identified must be resolved on the basis of the factors outlined in Section 9, as well as other requirements provided in Section 8 and 10 of the Act. A majority decision of the panel is binding if it is supported by competent, material and substantial evidence of the entire record.

BACKGROUND FACTS

Plymouth Township covers a geographic area of 16.6 square miles located in Wayne County and has a population of 28,783. The Plymouth Community Fire Department provides fire suppression and emergency medical services to the Township as well as the City of Plymouth that consists of some 2.27 square miles located in the middle of the Township. The Fire Department table of organization includes the Fire Chief, Assistant Fire Chief, Fire Inspector, Emergency Program Manager/Training

Officer and an Administrative Assistant. Fire suppression is budgeted for twenty-seven full-time firefighters, three captains and three lieutenants. The department also has on call five part-time firefighters. The bargaining unit consists of the Fire Inspector, Emergency Program Manager/Training Officer, three Fire Captains, three Fire Lieutenants, and twenty-one full time firefighters. The firefighters, captains, and lieutenants work a twenty-four hour duty day and a fifty-six hour average workweek. The Fire Inspector and Emergency Program Manager/Training Officer work a seven and one-half hour day, Monday through Friday for a thirty seven and one half hour week.

The last labor agreement between the parties covered the period beginning April 1, 2003 through March 31, 2006. Subsequent negotiation, including mediation, on a successor agreement was unsuccessful and resulted in the current arbitration case.

FACTORS

Sec. 9(a). Lawful authority of the employer.

There has been no challenge to the lawful authority of the employer in this case.

Sec. 9(b). Stipulations of the parties.

The stipulations and tentative agreements referenced earlier represent all known to the panel.

Sec. 9(c). The interests and welfare of the public and the financial ability of the unit of government to meet those costs.

The Township submits that it is experiencing a unique series of events that have created a very challenging set of financial circumstances that limit the Township's ability to raise revenue to finance its operations. Plymouth Township became a charter township by a vote of the Township Board after the adoption of the 1978 Headlee Amendment, which prohibits increases to the maximum authorized millage without a vote of the people. Consequently, the Township is limited to a one-mill authorization allocated by the county allocation board in the most recent year that it was a common law township. Since that time the Township has experience a roll back of the one-mill allocation by virtue of the Headlee Amendment to .8173 mills. The Township has sought voter approval for three special dedicated millage increases; in 2001 the voters approved an extra one mill for fire services for a twenty year period, in 2005 the voters approved a renewal for ten years of a 1.6348 millage levy for police/fire operations and a new millage of .5631 mills for ten years for police/fire services. As a result of these events, the Township has a total maximum allowable millage levy of 4.01 mills and currently levies 4.00 mills.

The Township also contends that it has experienced a general fund structural deficit over the period of 2004 – 2006. In 2006, the total general fund expenditures were \$15.1 million compared to revenue of \$13.9 million. This deficit was the result of the Township's decision to lend \$997,000 to the Township's Downtown Development Authority and the construction of a new Township Hall and fire station at a cost of some \$11 million that was to be financed from the general fund and some \$6 million in bond sales. Some \$3.372 million of this cost came from the general fund over a period of three

years. Anticipated revenue from the sale of Township property was expected to cover the general fund expenditures for the building projects, but that revenue was only partially realized. The record indicates that even excluding the costs of the loan to the Downtown Development Authority and the construction costs, the general fund expenditures between 2004 and 2006 exceeded revenue by over a million dollars, resulting in the “structural deficit”. The Township also anticipates that the deficit will increase beginning in 2007 by some \$450 - \$475,000 as debt repayment on the \$6 million in bonds sold to fund the new construction. Like many Michigan municipalities Plymouth Township has had to use its unreserved fund balance to cover the general fund deficits in order to balance the budget. Township exhibit #T-158 charts the decline in the unreserved fund balance since 2003 when it stood at \$6,374,129, reduced to \$3,665,457 in 2004, to \$2,377,019 in 2005, and to \$996,713 in 2006. According to the Township, the 2006 unreserved fund balance is just 6.6% of the approximate \$15 million 2006 general fund expenditures, much lower than the benchmark of 13% used by the State of Michigan Department of Treasury for local units of government. In the opinion of the Township there is little likelihood that the Township will reach the benchmark 13% utilized by the State of Michigan in the near future. The largest revenue source for the Township is property taxes, which generate about 55% of the general fund revenues and the Township anticipates that taxable values will decrease in 2008 by approximately 3.5% from 2007 levels. If this projection holds true, corresponding general fund revenues will decline.

As is the case in most Michigan municipalities, the Township has experienced a steady decline in the revenue from the state-shared revenue based on sales taxes collected by the State of Michigan since 2001. (See T-158A, p. 2; T-171-76). Given the trend over

the last several years and the continuing fiscal problems of the State of Michigan it is unlikely the Township can expect any significant increase from this revenue source.

The Union asserts that the Township has not demonstrated that it is unable to pay for reasonable pay and benefit increases supported by the Section 9 factors of Act 312. According to the Union, Plymouth Township has a very favorable financial position compared to the other comparable communities as demonstrated by the fact that the median household income is nearly \$75,000, ranking first among the comparables and 34% above the average. It enjoys the highest per capita taxable property valuation of the comparables at about \$70,000, some 82% above the average. Union Exhibit 35. The Township has one of the lowest overall tax rates in southeast Michigan. Joint Exhibit 28 at iii. The Union contends that when just the Fire and ALS service is examined, a decidedly different financial picture emerges. In 2006, the dedicated millage for fire services and the City of Plymouth's payment for fire services totaled \$2,894,103, while the Township's cost for such service was \$3,521,264, so the dedicated fire service millage and City of Plymouth payment pays for some 82% of the cost. In addition, the Police and Fire millage generated \$4,155,146. Only 15% of that amount is required to fund the balance of the Fire Department.

The Union points to some variances in the record testimony of Mr. Hefferman, Plante Moran C.P.A, audit partner for the Township and Employer Exhibits 158 and 160. In #158, the general fund balance is identified at 6.6% of expenditures, while in #160 the size of the general fund balance is identified as 14% and that is contradictory according to the Union. The Union also points to the testimony of Mr. Hefferman that the Fiscal Score System used by the State of Michigan was not intended to be a measure of fiscal

health. Vol.9, P. 62, 76. Indeed, the scoring system is not an indicator of ability to pay. Union Exhibit 333, at P.3.

The record evidence further complicates the condition of the general fund balance when the printed statements of Township Treasurer, Ron Edwards, are considered. Mr. Edwards in Joint Exhibit 28 at iii, acknowledged that as a result of the construction of the two new buildings the general fund balance fell below the 13% benchmark, but stated that; "It is anticipated that the general fund balance will be within the recommended percentage by the end of the 2007 calendar year."

The overall record in this case clearly indicates that the Township may have a serious financial challenge in the future regarding overall general fund revenues and expenditures, depending on the sale of unsold property and the repayment of the loan to the DDA. However, it is just as clear that the Fire Department budget is not a major part of the problem as outlined above. Section 9(c), is but one of the considerations to be evaluated by the panel in reaching a decision on economic issues, it is not, as cited by the Employer's brief, the determinative factor. *City of Hamtramck v Hamtramck Firefighters Association*, 128 Mich App 457, 466 (1983). The decisions of the Township regarding the financing of the new Town Hall and Fire station and the loan to the Development Authority had a major role to play in the impact that it had on the general fund balance, particularly since the Township did not experience the revenue expected from the sale of property that figured into the financing of the building project.

The welfare and public interest requires that fire department services be provided in an efficient manner. The Township has an obligation to the public to insure that fire department personnel are properly equipped and well trained and they must provide

levels of compensation that are sufficient to attract and retain employees in a competitive labor market. However, all these goals must be accomplished within the financial resources available.

In the opinion of the panel, the Township has demonstrated that it will face future budget challenges, but it has not demonstrated that it cannot afford the increases resulting from this award.

Sec. 9(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.

The parties in this case have agreed upon a list of comparable communities as follows: Canton Township, Harrison Township, Livonia, Madison Hgts., Redford Township, Shelby Township, Waterford Township, Wayne, and Westland.

The parties have submitted extensive and comprehensive exhibits regarding wages, benefits and working conditions provided to employees engaged in like type work in the group of comparables as well as data for the other Plymouth Township bargaining units. We have carefully examined the exhibits submitted in this case, which numbered in excess of 300 exhibits and those considered most pertinent to the panel's decision will be discussed in the context of the disputed issues.

The parties have elected not to submit data or argument regarding private sector wage or benefit data.

Sec. 9(e). The Average consumer prices for goods and services, commonly known as the cost of living.

The record includes evidence and exhibits comparing wage increases granted to the firefighters and increases in the Consumers Price Index from 1997 – 2006, including the Townships proposed increase. The data indicates that the employees have enjoyed increases that have kept pace with and exceeded the rise in the CPI index.

Sec. 9(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.

Both parties have submitted extensive exhibits covering most every form of compensation. All exhibits were reviewed at hearing and carefully considered by the panel. Those exhibits considered most pertinent and applicable to the panel will be discussed in connection with the issues in dispute.

Sec. 9(g). Changes in the foregoing circumstances during the pendency of the arbitration proceeding.

The panel is not aware of any material changes during the pendency of the proceeding that would affect the panel's decision.

WAGES

UNION ISSUE 13/TOWNSHIP ISSUE 1

The parties have agreed to a three-year contract term covering the period of April 1, 2006 through March 31, 2009. Wages increases for each year of the contract are to be treated as a separate issue by the panel. We will discuss the issue of wage increases under this general heading and decide each year as a separate issue. Since wages are an economic issue, the panel is limited to accepting the last best offer of either party that more nearly complies with the applicable factors prescribed in Sec. 9 of Act 312. Both parties have submitted extensive exhibits involving wage data comparing their respective proposals with fire service classification of the group of comparable communities and internal settlements with other Township bargaining units. The Township places particular emphasis on total compensation comparative data for fire service classifications. Township Exhibits #191 and #196 indicate that the Plymouth firefighters rank fourth out of ten of the comparable communities for both a five-year firefighter and twelve-year firefighter for the 2005 contract year. Despite minor differences in calculation methods, the Townships analysis of total cash compensation is very close to that of the Union's analysis. Union Exhibits #43 and #44 indicates an overall difference between the parties' of less than \$200, with the Union calculating an annual total compensation in the comparable communities of \$67,847 versus the Townships calculation of \$67,663 for a five year firefighter, and the Union calculation of \$68,779 versus the Townships' \$68,592 for a twelve year firefighter. According to the Township, a five-year Plymouth Township firefighter has an annual total cash compensation of \$69,750 and a twelve-year firefighter is at \$70,350. The Township maintains that their

last best offer will maintain the firefighters number four ranking among the comparables, well above the average. The Township also contends that their proposal is consistent with the increases negotiated with the other Township bargaining units, reflecting the lower level of increase over time that reflects the negative changes in the economy and the Township's financial outlook. Township Exhibit #188.

The Union characterizes the Townships proposal as less than the settlement reached with the two Township police bargaining units because those agreements were reached earlier and the Union maintains this is simply unfair because of the protracted delay on the part of the Township in making a specific proposal on health insurance until September 12, 2007. Moreover, the Union contends that the Township refused to discuss other outstanding issues in negotiations until the insurance issue was settled. According to the Union the Township must bear the responsibility for the delay to present a health care proposal and refusing to resolve other issues prior to presenting the health care proposal. Under such circumstances the Union asserts that there is no justification for the Townships assertion that the Fire Fighters should receive less than the police bargaining units because of the delays in resolving their contract.

The Union maintains that their wage proposal is supported by both the internal and external comparables and is identical to the wage settlement reached by the Township with the police bargaining units. Union Exhibit #42 identifies the increases in base wages received by fire fighters in the comparable communities for 2006, 2007, and 2008. The data indicates that for the year 2006, eight of the nine comparable communities provided increases of 3% or more, with one comparable providing an increase of 2%. In 2007, five of the six comparables that have settled contracts provide increases of 3% or

more. In 2008, only three of the comparables have settled their contracts and all provide for a 3% increase.

UNION LAST BEST OFFER WAGES

C. Effective April 1, 2006, bargaining unit members shall receive a 3% across-the-board wage increase, April 1, 2007, bargaining unit members shall receive a 1.5% across-the-board wage increase with an additional 1.5% increase effective October 1, 2007. April 1, 2008, bargaining unit members shall receive a 1.5% across-the-board wage increase with an additional 1.5% increase effective October 1, 2008.

(The above percentage increases applied to the salary schedule result in the wage schedule tables contained in the last best offer of the Union that is incorporated as attachment #1.)

TOWNSHIP LAST BEST OFFER WAGES

Summary: Wages 4/01/06 – 3/31/07

The Township proposes an increase in base wages of 2.0%.

Summary: Wages 4/01/07 – 3/31/08

The Township proposes an increase in base wages of 2.0%.

Summary: Wages 4/01/08 – 3/31/09

The Township proposes an increase in base wages of 2.0%.

(The above percentage increases applied to the salary schedule result in the wage schedule tables contained in the last best offer of the Township that is incorporated as attachment #2.)

WAGES: APRIL 1, 2006

The panel has carefully examined the data presented by the parties concerning the total cash compensation of fire fighters in the comparable communities together with the wage increases that have been provided for the time period in question. The data clearly indicates that an increase of 3% is consistent with the pattern of settlement among the external comparables, with eight of the nine comparables reporting increases of 3% or more. The Township argues that such an increase would raise the total cash compensation of the fire fighter well above the average and jump the Township from fourth ranking to third ranking. Average compensation calculations are not particularly meaningful in evaluating the relative merits of the parties' proposals. The average compensation simply demonstrates that half the comparables pay higher than the average and half pay less than the average and in the process of negotiations among a given group of comparables that average will change over time. Act 312 is a process designed to peacefully resolve disputes between the parties and should within reason reflect what the parties could have expected to achieve through the bargaining process.

In examining the results of settlements among the internal comparables, we note that the Township has established a pattern of settlement beginning with the police bargaining unit in 2005, which provided for an increase of 3% in 2006. The AFSCME bargaining unit followed with an increase of 3% for 2006. The same pattern was followed with the police command officers unit and the Teamster Union for 2006.

Given the 3% increase pattern of settlement among the internal and external comparables we must examine what, if any, evidence exists to support the Townships' proposal of a 2% increase for 2006. The Township relies on its contention that the

Township is faced with a general fund fiscal challenge. We have carefully examined the data submitted by the Township and discussed such previously. A majority of the panel is of the opinion that the Township has not met its burden to establish that it is financially unable to pay for a 3% increase for 2006.

The Township suggests that their offer of 2% will maintain the relative ranking of the fire fighters with their counterparts among the comparable communities. This seems to be of small consolation to the Township firefighters since nearly all of their counterparts received a 3% increase for 2006, as did all of the other Township bargaining units.

The panel is of the opinion that the Union's proposal for a 3% increase effective April 1, 2006 is strongly supported by the Sec. 9 provisions of Act 312 and therefore adopts the Union's proposal as an economic issue. As an economic issue, the panel is required to adopt the Union's proposal for retroactive effect since it is part of their wage proposal.

AWARD – WAGES – APRIL 1, 2006

The Panel hereby adopts the Union's last best offer of settlement as follows:

1. Wages – 4/01/06

Summary:


C. Effective April 1, 2006, bargaining unit members shall receive a 3% across-the board wage increase.

(The above percentage increase shall apply to the salary schedule as provided in the last best offer of the Union that is incorporated as attachment #1 for 2006.)

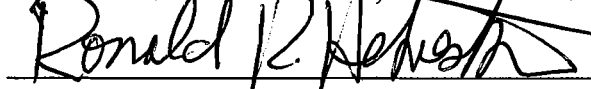
2. Retroactivity

This wage increase shall be retroactive to 4/01/06 for all members of the bargaining unit as of that date.

C. BARRY OTT, PANEL CHAIR



RONALD R. HELVESTON, UNION DELEGATE



ERIC W. CHOLACK, TOWNSHIP DELEGATE (DISSENT)



WAGES – APRIL 1, 2007

The Township proposes an increase of 2% for 2007, and relies on their argument that the increase will maintain the relative ranking of the fire fighters among the comparable communities and their view of the financial condition of the Township. Township Exhibit #188 depicts the increase for the POAM and COAM bargaining units as 2.25%, which in reality is the average increase for the year, minus compounding. The actual negotiated increase provided for an increase of 1.5% on the anniversary date of their contract and an additional increase of 1.5% six months later, an average of 2.25%, and a net increase to the salary schedules of 3.0%, minus compounding for 2007. The AFSCME bargaining unit received an increase of 3.0% for 2007.

The Union proposes the same increase as that granted to the two Township police bargaining units; 1.5% effective April 1, 2007 and an additional increase of 1.5% effective October 1, 2007. Union Exhibit #42 data indicates that Canton Township, Livonia, and Shelby Township report increases of 3.0% for 2007. Harrison Township reports an increase of 3.25%, Madison Heights 3.50% and Redford Township 2.0%. According to the Union there is simply no justification for the Township to propose less of an increase to the fire fighters than that which was granted to the Township police bargaining units or the increases provided in the group of external comparable communities.

The panel majority has already expressed the opinion that the Township has not demonstrated that it is unable to pay based upon our analysis of the Township's arguments regarding their financial condition. The suggestion of the Township that the delay in settlement of the fire fighters contract and the erosion of the level of the general

fund balance somehow justifies a lower level of settlement is without merit. The Township's inability to advance a comprehensive health care insurance plan until October 26, 2007 was a major contributing factor in delaying resolution of the negotiations, and the decisions of the Township regarding financing of their construction project had a major impact on the condition of the general fund balance.

The record evidence does support the Union proposal and in the opinion of the panel the provisions of Sec. 9 are met more closely by the adoption of their wage proposal for 2007 as an economic issue. Again, since this is an economic issue, the panel is required to adopt the Union's proposal for retroactive effect since it is part of their wage proposal.

AWARD – WAGES – APRIL 1, 2007

The Panel hereby adopts the Union's last best offer of settlement as follows:

1. Wages – 4/01/07

Summary:

C. Effective April 1, 2007, bargaining unit members shall receive a 1.5% across-the-board wage increase with an additional 1.5% increase effective October 1, 2007.

(The above percentage increase shall apply to the salary schedule as provided in the last best offer of the Union that is incorporated as attachment #1 for 2007.) *ewc*

2. Retroactivity

This wage increase shall be retroactive to 4/01/07 for all members of the bargaining unit as of that date.

C. BARRY OTT, PANEL CHAIR

C. Barry Ott

RONALD R. HELVESTON, UNION DELEGATE

Ronald R. Helveston

ERIC W. CHOLACK, TOWNSHIP DELEGATE (DISSENT)

Eric W. Cholack

WAGES – APRIL 1, 2008

In the final year of the contract, both parties have repeated their previous proposals; with the Township offering a 2.0% increase effective April 1, 2008, and the Union offering a 1.5% increase effective April 1, 2008, and an additional increase of 1.5% effective October 1, 2008.

The Union urges adoption of their proposal based on the increases occurring among the internal and external comparables. The record indicates that only three of the external comparables have reached settlements for 2008; Livonia with a 3.0% increase, Redford Township with a 3.0% increase and Shelby Township with a 3.0% increase. Union Exhibit #42. The two Plymouth Township police bargaining units each received increases of 1.5% on January 1, 2008 and will receive an additional 1.5% increase on July 1, 2008. The AFSCME bargaining unit received a 3.0% increase in 2008. Township Exhibit #188.

Both parties repeat their respective arguments as previously discussed in support of their proposals and it isn't necessary to repeat them at this time.

A majority of the panel is of the opinion that the internal and external comparables establish a pattern of settlement that supports the Union's proposal and that the provisions of Sec. 9 of Act 312 are more closely met by the adoption of the Union proposal for 2008 as an economic issue. As noted earlier, as an economic issue, the panel is required to adopt the Union's proposal for retroactive effect since it is part of their wage proposal.

AWARD – WAGES – APRIL 1, 2008

The Panel hereby adopts the Union's last best offer of settlement as follows:

1. Wages – 4/01/08


Summary:

C. Effective April 1, 2008, bargaining unit members shall receive a 1.5% across-the-board wage increase and an additional increase of 1.5% effective October 1, 2008.

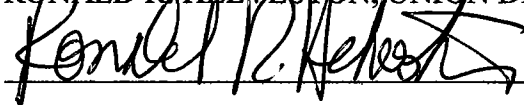
2. Retroactivity

This wage increase shall be retroactive to 4/01/08 for all members of the bargaining unit as of that date.

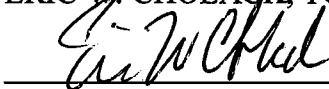
C. BARRY OTT, PANEL CHAIR



RONALD R. HELVESTON, UNION DELEGATE



ERIC W. CHOLACK, TOWNSHIP DELEGATE



(DISSENT)

INSURANCE CHANGES

TOWNSHIP ISSUE 3A/UNION ISSUE 5C

The Township proposes to add the following new subsection to the beginning of Article 14 of the contract:

- A. The Employer reserves the right to select or change insurance carriers, to be a self-insurer, either wholly or partially, and to choose the administrator of the insurance programs, as long as similar benefits are provided.

The Union proposes to add the following new subsection 4 to Article 14 (E) of the contract:

3. Effective [date of the award], The Employer shall not amend, substitute or modify insurance plan benefits, by way of example but not limited to, health, dental, optical, life and disability plan benefits in effect at the signing of this agreement, except the Employer may secure alternative insurance provided that the benefits are identical to the benefits described herein.

The Township seeks by its proposal to secure language that will give it flexibility in adjusting to the changing world of health insurance. In the most recent contract period, the Township had provided coverage through the M-Care plan administered through the University of Michigan. Blue Cross/Blue Shield purchased the plan and discontinued the plan coverage, which required the Township to make other arrangements for similar coverage through Blue Care Network and Blue Cross/Blue Shield. The new plan had several differences from the old plan, some represented benefit improvements and other might well be characterized as benefit reductions. Union Exhibit # 297. According to the Township, if the Union proposed language requiring identical benefits had been in place the necessary change could not have occurred with out violating the contract. The Township urges adoption of their proposal and points out that the language sought is identical to that contained in the labor agreements of four other Township bargaining

units including units eligible for Act 312. (See Township exhibits #206, Joint exhibits #107, 108, and 110.)

The Union contends that their proposal is intended to maintain insurance plan benefits in effect at the signing of the bargaining agreement and to allow the Employer to secure alternative insurance arrangements, provided the benefits are identical to those that have been previously negotiated. The Union maintains that the external comparable communities support their proposal and that all of them provide for the protection of insurance benefits. Union Exhibit #85.

We have examined the various provisions found in the comparable communities and note that there is some considerable variance in those provisions. Some provide that the employer may change the insurance carriers provided the employees receive similar, or equivalent or greater benefits. Others, under the maintenance of standards provision, prohibit unilateral changes. We identified provisions, which contemplate that changes that might be necessary will be subject to discussion between the parties and any dispute over such changes will be resolved via arbitration by an arbitrator with experience and expertise in the insurance field.

Obviously, there is a need to provide for a mechanism to adjust to unexpected changes that occur in the insurance industry. Such a mechanism that meets the concerns of both parties to this dispute should have been negotiated. In the opinion of the panel chair, the proposal of the Township is too broad and could very well lead to future arguments and could expose the benefits negotiated in good faith to unilateral changes by the employer. On the other hand, the Union proposal appears to be too restrictive. When the parties were confronted with the loss of the M-Care Plan discussions occurred

between the parties, and they were ultimately able to reach an agreement on an alternate plan. With that in mind, the panel chair is of the opinion that the following language would produce a viable mechanism that safeguards the concerns of both parties. First we must address the difference of opinion of the parties as to whether this issue is economic or non-economic. The Union has identified this issue as non-economic while the Township asserts it is an economic issue. In the opinion of the panel chair, the issue initially is non-economic in that it is intended to address what is to be done when unexpected changes in the availability of agreed upon insurance benefits occur. The application of the provision could very well result in some economic impact on the parties, but initially the provision is economically neutral.

“The Employer reserves the right to select or change insurance carriers, to be a self-insurer, either wholly or partially, and to choose the administrator of the insurance programs. The Employer shall be required to identify what if any changes in benefits will occur as a result and to notify the Union prior to making any changes in benefits. Benefit changes must be comparable to or greater than the benefits previously provided. The parties agree to meet and discuss any proposed benefit changes as to the comparability of the changes and attempt to resolve any differences. If the parties are unable to resolve such differences as to the comparability of benefit changes that dispute will be submitted to an arbitrator selected by the parties, with experience and expertise in the health insurance field. No benefit changes are permitted until the arbitrator resolves the matter”.

A majority of the panel is of the opinion that the above compromise language more nearly meets the Sec. 9 factors of Act 312 as a non-economical issue.

AWARD-INSURANCES CHANGES

The Panel hereby adopts the compromise language effective as of the date of this Award as follows:

Article 14, A.

“The Employer reserves the right to select or change insurance carriers, to be a self-insurer, either wholly or partially, and to choose the administrator of the insurance programs. The Employer shall be required to identify what if any changes in benefits will occur as a result and to notify the Union prior to making any changes in benefits. Benefit changes must be comparable to or greater than the benefits previously provided. The parties agree to meet and discuss any proposed benefit changes as to the comparability of the changes and attempt to resolve any differences. If the parties are unable to resolve such differences as to the comparability of benefit changes that dispute will be submitted to an arbitrator selected by the parties with experience and expertise in the health insurance field. No benefit changes are permitted until the arbitrator resolves the matter.”

C. BARRY OTT, PANEL CHAIR



RONALD R. HELVESTON, UNION DELEGATE



ERIC W. CHOLACK, TOWNSHIP DELEGATE



HEALTH CARE/COVERAGE AND PREMIUM SHARING

TOWNSHIP ISSUE 3B

As noted earlier, when the M-Care coverage became unavailable the parties were ultimately able to settle upon coverage under the Blue Care Network (BCN) (HMO) and Blue Cross/Blue Shield (PPO). Both parties in their last best offers have proposed to maintain these Blue Cross Plans “as is,” and as reflected in Union Exhibit 297, pp. 1-5. The Union identified, in footnote 19 of their brief, some dissimilarities between the parties’ last best offers that address the availability of the HMO network within a certain radius of the employee’s primary residence and the removal of the “base plan” conditions (i.e. requirement to pay difference in PPO premium cost over and above the cost HMO premium cost) as related to the PPO coverage. In addition, the Union has proposed an increase in the health insurance “opt out” provisions from \$50.00 per pay period to \$150.00 per pay period and the Employer has proposed an increase to \$250.00 per pay period.

The major difference between the parties is the issue of health insurance premium cost and what amount of that cost the employees should pay. The last best offer of the Township introduced for the first time a proposal to require an employee to pay 5% of the annual cost of the employer’s offered HMO coverage for the level of coverage selected by the employee, retroactive to April 1, 2006. By way of example, with the cost of Blue Care Network HMO family coverage at \$983.53 per month, an employee would pay \$49.18 per month and the Township would pay the balance of \$934.35 per month. According to the Township, this amount is actually slightly less than 1% of base pay for a five-year firefighter. The Township contends that this amount of premium sharing is

necessary because of the continuing rise in the cost of health care. According to the Township, excluding 2006 as an atypical year, the Township has experienced an annual cost increase of over 9% for the previous M-Care PPO coverage. (See Township exhibit #208)

The Union takes strong exception to the timeliness of the Townships' proposal and argues that no evidence was offered at hearing in support of this proposal nor was it ever presented to the Union during negotiations or during the Act 312 hearings. During the course of the hearings the Township advanced a proposal that would require the employees to make an annual contribution of 1% of gross wages toward the cost of health insurance premiums. The record evidence indicates that the Township was supporting this proposal based upon the contributions required by the agreements reached with the other Township bargaining units, including the police patrol and command officer units. Township Exhibit # 209 indicates that the AFSCME and Teamsters bargaining units contribute 1% of gross wages each year towards premiums and the Police Command Officers unit and Dispatchers unit are required to contribute 1% of their base wages. Both the POAM and IAFF units have identical provisions: "During a rating year, if the premium of an employee's insurance plan increases by greater than 10%, then the employee will pay 50% of the amount of the premium increase in excess of 10% by means of pay roll deduction. The maximum an employee will pay towards the premium will be 1% of the amount of their annual base salary."

The Union argues that the Township's last best offer is unsupported by both the internal and external comparables. None of the other Township bargaining units have a provision such as that now being proposed. It is true, as the Township points out, that

their proposal produces a premium contribution that is slightly less than 1% of base pay. However, the Union argues that the 1% of base pay acts as a cap on employee contributions, while the 5% of the premium cost is tied to the premium and consequently there is no similar cap, and it is likely that the firefighters would be exposed to a greater contribution than that of any other group of Township employees. The Union contends that there is no support for the Township's proposal among the external comparables, since eight of the nine do not require employees to contribute to the cost of health insurance premiums. Only Redford Township requires a contribution of up to 4% of their base wage beginning in 2008 for employees hired after April 1, 2006. In terms of health insurance costs, Union Exhibits #112-119 F., indicate that among the external comparables only two are paying less for family health insurance rates than Plymouth Township. Moreover, Union Rebuttal Exhibits #125 and #297 indicate Plymouth Township's premium rates remained the same between 2007 and 2008 and as noted earlier the rates in 2006 increased by only 3.3% over 2005 due to the increases in drug co-pay requirements. Overall, the Union maintains that for most of the contract period covered by this award the Township's health insurance costs have remained relatively stable.

The Union takes exception to the Township's proposal to give retroactive effect to April 1, 2006, particularly since the Township did not make a comprehensive health insurance proposal until late in 2007. More importantly, the Union questions the lawful authority of the panel to grant retroactivity since Section 10 of Act 312 only provides for retroactive increases in rates of compensation or other benefits. The Act does not provide for retroactive decreases in rates of compensation or other benefits.

Section 10 of Act 312 requires that a majority decision of the panel to be supported by competent, material, and substantial evidence on the whole record. On this issue, the Township built a record designed to support a proposal to require the employees to contribute 1% of their gross pay towards health insurance premiums. There is nothing in the record that even addresses the Township's last best offer for an employee contribution of 5% of the insurance premium cost, even though the cost to employees of that proposal may be slightly less than that presented at the hearing. The internal comparables tend to support a contribution of 1% of base or gross pay as representative of the trend of negotiated settlement among the Township bargaining units. But the Township has not presented any evidence to support their last best offer or to demonstrate the necessity for a provision that is substantially different in concept from that which it originally sought and supported by virtue of the internal comparables. The weight of the evidence of the external comparable communities certainly doesn't support the Township proposal, as eight of the nine communities do not require any contribution from their firefighters toward health insurance premiums.

The Panel Chair is of the opinion that the present rate of contribution is somewhat modest compared to that which other Township bargaining units have agreed and a proposal that reflects the type of contribution found in those agreements would at least have some support in the record; we are not faced with such an option. A majority of the panel is of the opinion that the record evidence of the external comparables together with the fact that the police patrol unit has the same provision that the firefighters presently have and by their proposal seeks to maintain more nearly meeting the requirements of the Section 9 factors. In addition, a majority of the panel is of the opinion that Section 10 of

the Act limits the authority of the panel to granting retroactive effect only to increases in rates of compensation or other benefits, not to decreases as here proposed by the Township. Consequently, the panel will adopt the last best offer of the Union as an economic issue.

AWARD-HEALTH CARE/COVERAGE AND PREMIUM SHARING

TOWNSHIP ISSUE 3B

The Panel hereby adopts the last best offer of the Union as follows:

Article 14, (A),(B) and (I)(3)

A. The Employer shall maintain health, dental and optical insurance for Fire Department employees. The Employer will provide at the Employer's expense, subject to the provisions of Paragraph B (below), M Care PPO Plan 1 and M Care HMO. Pursuant to the dissolution of M-Care as a health care provider and the subsequent acquisition of M-Care PPO by Blue Cross and Blue Shield (BC/BS) and M-Care HMO by the Blue Care Network (BCN), the policies were transferred to BC/BS and BCN with the most closely corresponding coverage and benefits effective January 2008.

1. The Employer shall provide dental insurance covering:

- 100% diagnostic, preventative emergency palliative radiographs;
- 75% of oral surgery restorative, periodontic and endodontics;
- 50% of prosthetic appliances and major restorations;
- Orthodontics are not covered;
- Maximum \$1,000.00 per person.

2. The Employer shall provide optical insurance covering:

- Examination: Once every 24 months, 100% with participating doctor.
- Lenses: Once every 24 months, benefits will be at a level in accordance with the benefits provided in the current Vision Service Plan.
- Frames: Once every 24 months, benefits will be at a level in accordance with the benefits provided in the current Vision Service Plan.

B. Employee health insurance programs are subject to the following:

1. Prescription co-pay (all programs) shall be \$10.00 generic pharmaceutical, \$20.00 brand name preferred and \$30.00 brand name, non-preferred. In those cases when a generic equivalent is available, but an insured or his physician insists on a brand name drug in lieu of the available generic equivalent, the employee shall be responsible for any additional cost of the brand name drug in excess of the generic equivalent to the extent not paid by the carrier or HMO, over and above the applicable \$20.00 co-pay.
2. Office visit co-pay: (HMO: \$10.00), (PPO: \$15.00). ER Co-pay: (HMO): \$25.00, PPO: \$50.00). UC Co-pay: (HMO: \$10.00, PPO: \$15.00).
3. Insurance Premium Sharing as follows: During any rating year in which the premium for the insurance plan selected by the

employee increases by greater than ten percent (10%) over the previous year's premium, the employee shall pay fifty percent (50%) of the amount of the premium increase in excess of ten percent (10%) by means of payroll deduction. (For example, if the premium increases fourteen percent (14%) over the previous year's premium in a given rating year, the employee shall pay (2%) of the premium INCREASE if he maintains that program. If the premium increases nine percent (9%) in the following rating year, the employee shall pay no premium to maintain the program.) The maximum that an employee shall have to pay towards the premium in any year shall be one percent (1%) of the amount of his annual base salary as of January 1st of that year.

4. Effective April 1, 2008 bargaining unit members electing the Blue Cross/Blue Shield PPO health insurance coverage shall be required to pay, via payroll deduction, the difference in premium cost between the PPO coverage and the HMO coverage. However, it is understood, should the employee not have a health insurance provider and/or hospital participating in the blue care network HMO within a thirty (30) mile radius of his/her residence, and therefore cannot reasonably have access to the HMO coverage, the employee shall be permitted to select the BC/BS PPO coverage and thus be required to provide the same health insurance premium

contribution as employees selecting the HMO coverage outlined above.

I.

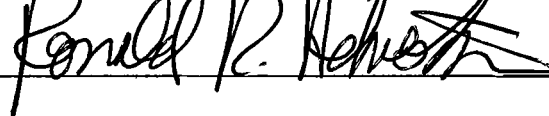
3. Union members who waive medical benefits will be entitled to a taxable cash benefit of \$50.00 per pay period for the duration of the waiver.

Effective April 1, 2008, this amount shall be increased to \$150.00 per pay period.

C. BARRY OTT, PANEL CHAIR



RONALD R. HELVESTON, UNION DELEGATE



ERIC W. CHOLACK, TOWNSHIP DELEGATE (DISSENT)



INSURANCE (TWENTY-FIVE YEARS OF SERVICE)

UNION ISSUE 5 A.

The Union proposes to amend Article 14 E of the collective bargaining agreement by adding the following paragraph to Section E:

Effective [date of award], the spouse and eligible dependents of an employee that has served a minimum of twenty-five (25) years of service with the Plymouth Township Fire Department, that dies prior to retirement from the Township, shall be granted the same insurance benefits provided to retirees after twenty-five (25) years of service as described above.

The Township has proposed to maintain the status quo regarding this issue. The Township provides health care insurance for the employee and spouse upon retirement after 25 years service.

The Union contends that it simply isn't fair not to provide protection to the spouse and dependent children of an employee who elects to continue to work after 25 years of service. There is no record evidence supporting this proposal among the comparable communities, since it appears that none of the comparable communities provide such a benefit. The record indicates that the Township does provide such a provision for the Fire Chief and the DPW Director. The Union characterizes these two positions as internal comparables, but in fact neither position is included in a bargaining unit. The Township points out that there are many benefits that the bargaining unit employees enjoy that are not extended to non-represented employees.

The Union as the proposing party must bear the burden of proof to support their proposal both in terms of demonstrated need and evidence as required by Section 9 and 10 of the Act. Fortunately, there is no evidence to demonstrate that any 25-year service employee has died while still employed by the Fire Department. In the opinion of a majority of the panel, the Union has failed to meet their burden in this instance. The

record evidence on this issue supports the status quo proposal of the Township and more closely meets the requirements of Section 9.

AWARD-INSURANCE-(25-YEARS OF SERVICE)

UNION ISSUE 5A

The Panel hereby adopts the last best offer of the Township as follows:

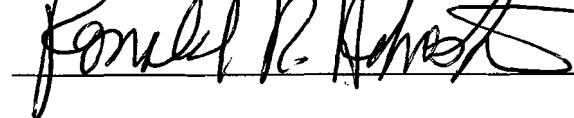
Summary:

The Township proposes no change in the status quo (no coverage) and the retention of the current contract language.


C. BARRY OTT, PANEL CHAIR



RONALD R. HELVESTON, UNION DELEGATE


_____ **DISSENT**

ERIC W. CHOLACK, TOWNSHIP DELEGATE



HEALTH INSURANCE-MEDICARE PREMIUMS

UNION ISSUE 5 B

The Union proposes to amend Article 14 F of the collective bargaining agreement by adding a new subsection 1. as follows:

1. Employees retiring on or after April 1, 2006 shall have the premium cost for Medicare Part B, paid by the Employer.

The Township proposes no change in the status quo (no coverage) and the retention of the current contract language.

According to the Union their proposal should be granted because seven of the nine external comparable communities provide fully paid health insurance to the retiree, spouse and eligible dependents, and as such nearly all of the comparable communities provide superior health insurance benefits than that provided by the Township. Union Exhibit #111. Moreover, the Union characterizes the difference in the cost of insurance premiums for a pre-age sixty-five retiree and that of a retiree who becomes eligible for Medicare coverage as a savings to the Township. Union Exhibit #87. The Union also notes that their proposal would not have a cost factor until the year 2018, since that would be the time when the first eligible retiree would become eligible for Medicare.

The Township argues that the alleged savings is an illusion, since it already pays a significantly higher premium for a pre-age sixty-five retiree than that which it pays for an active employee under the same type of plan. Premiums do go down after the employee reaches age 65, but that doesn't compensate the Township for the increased pre-age 65 premiums it has to pay. According to the Township that is not a savings and the Union proposal really represents an additional new cost to the Township to cover the cost of Medicare Part B premiums. In addition, the Township points out that the cost projections used by the Union are based on 2007 premium rates and there is no way of determining what the Medicare premium costs will be in 10 years.

The Township notes that according to Union Exhibit #87, the Union identifies only one comparable community, Canton Township, pays for "this Item." An examination of Canton Township's collective bargaining agreement at Section 12 C, (1),

paragraph 4, Joint Exhibit #95, indicates that only “when the retiree reaches full Medicare eligibility, the employer will assume the full cost of the complimentary Medicare Two Plus One Coverage.” The Township characterizes this provision as a supplemental Medicare coverage provided by private third party vendors and has nothing to do with Medicare Part B premiums.

In the opinion of the panel, there is no evidence in the record that indicates that any of the comparable communities or internal comparables provide for employer paid Medicare Part B premiums. Consequently, the panel is of the opinion that the adoption of the Township’s proposal more nearly meets the Section 9 factors.

AWARD-HEALTH INSURANCE-MEDICARE PREMIUMS

The Panel hereby adopts the last best offer of the Township as follows:

Summary:

The Township proposes no change in the status quo (no coverage) and the retention of the current contract language.

C. BARRY OTT, PANEL CHAIR

C. Barry Ott

RONALD R. HELVESTON, UNION DELEGATE

Ronald R. Helveston **DISSENT**

ERIC W. CHOLACK, TOWNSHIP DELEGATE

Eric W. Cholack

DUTY DEATH BENEFIT

UNION ISSUE 1

In this issue, the Union seeks to provide health insurance coverage to the spouse or dependents of a fire fighter who dies in the line of duty as follows:

J. Duty Death.

Effective [date of award], the spouse and dependents of an employee that suffers a duty-related death shall continue to receive all insurance coverage[s] in effect at the time of the employee's death. The insurance coverage[s] for the spouse shall continue for the life of the spouse until such time as the spouse is eligible for equal or better insurance coverage either through employment or remarriage. The insurance coverage[s] for eligible dependents, as defined by IRS regulations, shall continue until such time the dependent is age 25 or eligible to receive equal or better insurance coverage[s] either through employment or marriage.

The Union contends that such a benefit is necessary because of the many exceptional dangerous elements related to the fire fighting profession and the desire to extend some level of support to the family of any fire fighter who dies in the line of duty. Union Exhibit #81 indicates that Canton, Shelby and Waterford Township provide for insurance coverage for surviving spouses and dependents, until such time as they can obtain coverage from some other source. There is no immediate cost associated with this proposal since there has never been a case where a Township fire fighter died in the line of duty.

The Township has proposed the following provision:

Summary:

If an employee dies as the result of an on-the job injury or illness, the Employer will continue to maintain the medical, dental, optical and prescription drug insurance coverage, as subsequently modified from time to time by the collective bargaining agreement, for the employee's spouse and for the employee's dependent children (as defined in the employer's then existing group insurance policy but no older than age 22). This coverage will continue for the spouse for up to 5 years, or until the spouse of the employee obtains equal or better insurance coverage from the spouse's own employer, dies, or remarries, if any of such events occur before 5 years have elapsed.

The differences in the two proposals are significant. The Union seeks to extend all insurance coverage[s] in effect at the time of the death of the employee for the life of the spouse and up to age 25 for dependents, while the Township seeks to limit the spousal benefit for up to five year from the date of the employees death, and up to age 22 for dependents. In addition, the Township notes that their most recent experience with the loss of M-Care coverage demonstrates the problems associated with trying to guarantee certain types of coverage for extended periods.

The Township argues that only four of the nine comparables provide a decedent's survivor with health insurance continuation. Westland limits coverage to one year, Shelby Township provides coverage "as then being received by other employees", and to dependents only until age 19. Waterford Township provides only medical insurance, not dental or optical, and "at the same level of coverage as in effect for active employees."

None of these comparables specifically freeze coverage at the level provided at the time of the employee's death.

In the opinion of the panel, the Township's proposal more closely conforms to the benefit levels provided by the four comparables. It is also noted that five of the nine comparables do not provide for this type of benefit and there is no record evidence that any of the other Township bargaining units enjoy such a benefit. Consequently, the panel is of the opinion that the adoption of the Township's proposal more nearly meets the Section 9 factors.

DUTY DEATH BENEFIT

UNION ISSUE 1

The Panel hereby adopts the last best offer of settlement of the Township as follows:

New Contract Language:

If an employee dies as the result of an on-the-job injury or illness, the Employer will continue to maintain the medical, dental, optical and prescription drug insurance coverage, as subsequently modified from time to time by the collective bargaining agreement, for the employee's spouse and for the employee's dependent children (as defined in the employer's then existing group insurance policy but no older than age 22). This coverage will continue for the spouse for up to 5 years, or until the spouse of the employee obtains equal or better insurance coverage from the spouse's own employer, dies, or remarries, if any of such events occur before 5 years have elapsed.

C. BARRY OTT, PANEL CHAIR

C. Barry Ott

RONALD R. HELVESTON, UNION DELEGATE

Ronald R. Helveston DISSEMI

ERIC W. CHOLACK, TOWNSHIP DELEGATE

Eric W. Cholack

NON-DUTY INJURY/ILLNESS

UNION ISSUE 3

The present contract provides for a long-term disability benefit for non-duty related injuries that pays a disabled employee two-thirds of a fire fighter's base wage, capped at \$5,000 per month. In its proposal, the Union seeks to increase the value of the base wage factor by the addition of FLSA overtime, longevity and holiday pay, and paramedic bonus, and to provide for the continuation of insurance coverage for two years. Under the present benefit, a disabled fire fighter suffers a substantial loss of pay and benefits at a time when they are dealing with the life adjustments associated with their disability. In terms of costs, the Union argues that it presently costs \$0.98 for every \$100 insured and at this price the improvements sought would cost the Township only \$68 per fire fighter per year. This cost estimate is based upon the current rates and if the one-year limit were to be extended to unlimited, the exposure would be substantial and may well result in a substantial increase in cost.

According to the Union their proposal is in line with the benefits provided among other comparable communities. Township Exhibit #280 indicates that Harrison Township

provides two-thirds of “gross wages”, which is not defined in their contract and is capped at \$6,000 per month; Shelby Township provides a benefit that includes two-thirds base pay, longevity and holiday pay, with a benefit cap of \$4,000 per month. Waterford provides a benefit based upon three-fourths base pay, including mandatory overtime, without a monthly cap, but limits benefits to only 12 months, compared to Plymouth Township, which could pay for up to age 65. Wayne provides a benefit based upon 60% of base wages, with a \$6,000 monthly cap. Madison Heights also pays 60% of pre-disability earnings, excluding bonuses, overtime and other extra compensation. Canton Township pays 60% of wages and has a cap of \$2,000. Livonia, Redford Township, and Westland do not provide for any long-term disability policy.

On balance, a majority of the panel is of the opinion that Plymouth Township’s benefit plan compares quite favorably with that of the external comparables, while there are differences in all of the various plans, most of them provide a lesser benefit than Plymouth Township’s plan. None of the comparables appear to provide insurance coverage for the length of time proposed by the Union. In the opinion of the panel, the adoption of the Township’s proposal more nearly meets the Section 9 factors of the Act.

AWARD-NON-DUTY INJURY/ILLNESS

UNION ISSUE 3

The Panel hereby adopts the last best offer of the Township as follows:

Summary:

The Township proposes no change in the status quo and the retention of the current contract language. The Township will continue to provide a long-term disability benefit.

C. BARRY OTT, PANEL CHAIR

C. Barry Ott

RONALD R. HELVESTON, UNION DELEGATE

Ronald R. Helveston DISSENT

ERIC W. CHOLACK, TOWNSHIP DELEGATE

Eric W. Cholack

DUTY-INJURY

UNION ISSUE 4

In this issue, the Union seeks substantial changes to the present benefit provisions of Article 13 (C) of the labor agreement related to duty related illness or injury. The present benefits are limited to a period no longer than one year following the illness or injury. The Union believes the present provisions to be inadequate both in terms of benefits and the duration of the benefits for fire fighters who suffer duty related disabling injuries/illness. The experience of Lt. Gross, who suffered a severe duty related knee injury and required more than two years of treatment, including multiple surgeries and rehabilitation programs, illustrates the need to recognize that fire fighters are exposed to a variety of duty related injuries and illnesses that require more than the present one year time limit to recover and return to duty. Accordingly, the Union proposes to eliminate the present one-year limit on benefits and to provide an unlimited term of coverage. The Union also seeks to replace the base wage limit on compensation and to provide

compensation at the same rate as if the employee had not suffered an on-the-job injury or illness, including benefits as measured by his/her “customary W-2 earnings”. The Union also proposes to provide any employee who is placed on disability retirement due to a duty related injury or illness with insurance benefits provided to regular retirees as provided in Article 14 of the labor agreement. According to the Union their proposal is supported among the comparable communities; Canton and Harrison Townships, Livonia, Redford, Shelby and Waterford Townships, provide benefits beyond a fire fighter’s base wage. Two of the comparables; Livonia and Shelby Township, do not place any time limit on benefits. Township Exhibit # 250.

The Township maintains the Union’s proposal simply goes too far and has a different view of the benefits provided among the comparables. According to the Township, five of the nine comparable communities have the same contractual one-year limit as Plymouth Township. Madison Heights supplements workers’ compensation at 90% for up to two years and Westland limits benefits to 100% of gross pay for the first two years and 50% of the difference between workers’ compensation and gross pay for three years, for a total of five years. Only Livonia and Shelby Township have no time limit. Six of the nine comparables do not provide for any special insurance continuation beyond what is otherwise required under the FLMA, twelve weeks. The Township raises several questions not addressed in the Union’s proposal dealing with the issue of customary W-2 earnings, methods of calculating “604” overtime and contractual overtime which is done on a call-in basis as needed.

This issue presents the panel with a particularly vexing problem. Under the provisions of Section 10 of the Act, the panel is limited to awarding one or the other of the

two proposals on an economic issue. As is often the case, equity lies somewhere between the two proposals as supported by competent and material evidence in the record. In the opinion of the panel chair, a one-year limitation on benefits can and did in the Lt. Gross case fall short of what is required to recover from a serious disabling injury. Certainly the experienced parties to the negotiations could have fashioned a provision to more adequately meet the needs of the parties short of an unlimited time period or the present one-year limit. Unfortunately the parties failed to reach any such compromise and the panel is without authority to do so. We are left than to selecting that proposal which in the opinion of the panel more nearly meets the Section 9 factors. The overall weight of record evidence does not support an unlimited benefit period. Only two of the comparables has such a generous provision, while five of the nine have the same one-year limit as Plymouth Township and none of the comparables provide for insurance continuation such as that contained in the Union's proposal. In the opinion of the panel the Section 9 factors support the adoption of the Townships proposal. Having reached such conclusion the panel chair urges the parties to re-evaluate their respective position in an effort to find some level of compromise for future negotiations.

AWARD-DUTY INJURY

The Panel hereby adopts the last best offer of the Township as follows:

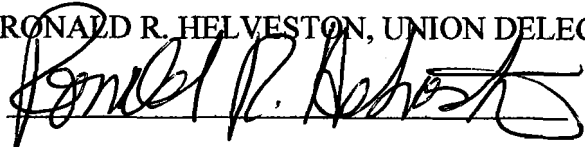
Summary:

The Township proposes no change in the status quo and the retention of the current contract language.

C. BARRY OTT, PANEL CHAIR



RONALD R. HELVESTON, UNION DELEGATE


_____ DISSENT

ERIC W. CHOLACK, TOWNSHIP DELEGATE



EDUCATION

UNION ISSUE 2

In this issue, the Union seeks to increase the amount that the Township will reimburse employees for job related educational expense from the current \$1,200 annually provided in Article 27 (E) of the labor agreement to \$5,000 annually. In addition, the Union proposes to require the Township to allow an employee to attend classes during their normally scheduled workday, so long as the employee attending class does not cause overtime to be incurred. According to the Union, the external comparable communities support their proposal. Township Exhibit #236 indicates that six of the nine comparable communities allow reimbursement for job-related education without limit, while Township Exhibit #237 indicates that the COAM and POAM bargaining units both enjoy the \$5,000 annual cap proposed by the Union. Indeed at one point in the proceedings the Township had offered the \$5,000 cap in

connection with a proposal to change certain promotional educational requirements that were later withdrawn by the Township.

We have very carefully examined Township Exhibits #236 and #237 together with Union Exhibit #92 and each of the labor agreements for the comparable communities, particularly those purported to provide unlimited reimbursement. In Livonia under Section 34 of their labor agreement we find that the City reimburses an employee for books and tuition for specifically identified curriculum directly related to firefighting, or a recognized Fire Fighting Degree curriculum and core courses in the Open Learning Fire Service Program at the University of Cincinnati, as approved by the United States Fire Administration. All courses must be pre-approved by the Fire Chief. In Harrison Township, we find that the cost of retaining certain certifications, such as AEMT, and Fire Inspection are subject to reimbursement, but new employees are required to attain certification within two years of employment at the employees' own expense. The data contained in Township and Union exhibits notwithstanding, cannot be verified by a careful review of the Harrison Township labor agreement. Shelby Township restricts tuition reimbursement to courses required for an associate or bachelors degree in Fire Science or EMS. In Waterford Township, tuition reimbursement is limited to a Bachelor's Degree level of work. In short, while the six communities may not state a dollar cap on tuition reimbursement, in most cases tuition reimbursement is restricted to specific course work related to the fire service and subject to the prior approval of the Fire Chief.

It appears that only one of the nine comparables allows employees to attend classes during duty work hours; Harrison Township grants work time off to attend

classes, and only for courses to maintain EMT or fire officer certification. None of the internal or external comparables have a provision such as that sought by the Union; “Employees shall be permitted to attend classes, during their normally scheduled work day, so long as the employee attending class does not cause overtime to be incurred.” This provision is particularly troublesome. If an employee is granted such leave and another employee is absent on sick leave at the same time and someone has to be called in on overtime, was the overtime the result of attending class or because of the sick leave? In either case the overtime was incurred. Does the employee attending class have to cancel and return to duty? For whatever reason the Union’s brief does not address this part of their proposal nor support it with any comparable data.

There is probable support of a majority of the panel to grant the first part of the Union’s proposal regarding the tuition cap, but once again we are faced with an either or situation and the panel is without authority to modify the Union’s proposal as an economic issue, we can’t grant one portion and delete the second provision of the proposal. Finding no support among the comparables to support the demand for mandatory work time off to attend classes, a majority of the panel finds that the Section 9 factors are more nearly met by the adoption of the Townships proposal.

AWARD-EDUCATION

The Panel hereby adopts the last best offer of the Township as follows:

Summary:

The Township withdraws its previous proposal. The Township proposes no change in the status quo and the retention of the current contract language.

C. BARRY OTT, PANEL CHAIR



RONALD R. HELVESTON, UNION DELEGATE

 **DISSENT**

ERIC W. CHOLACK, TOWNSHIP DELEGATE



LIEUTENANT STAFFING/STATION 2

UNION ISSUE 6

In this proposal, the Union seeks to require the Township to staff Station 2 with a Lieutenant on each of the three platoons. The record indicates that Station 1 is staffed with a Captain on every platoon, and Station 3 is staffed with a Lieutenant on each platoon. According to the Union the present practice is for the most senior fire fighter on duty at Station 2 is afforded an acting assignment and paid as a Lieutenant. The Union notes that all of the permanent ranking officers have undergone extensive training and education to prepare them for command officer promotion. Not to have any permanent ranking officers assigned to Station 2 results in untrained acting personnel responding to incidents and if they are first on the scene, they are in command until they are relieved by a superior officer. In the opinion of the Union, this condition endangers the citizens and fire fighters. The cost of the Union's

proposal is relatively modest since the Township already pays the acting officers at the Lieutenant rate. The Union estimates the cost of promoting three senior fire fighters to lieutenant at approximately \$4,000, and suggests that the cost is more than outweighed by the safety interest of the public and the fire fighters. The Union contends that nearly all of the external comparable communities staff each fire company with a ranking officer. The Township opposes this proposal on the grounds that for over 20 years the department has used acting officers at Station 2, except for a short time after the Township Fire Department merged operation with the City of Plymouth. The Township argues that operational protocol dispatches all on-duty firefighters from all three stations to a fire alarm so that there would be at least two officers arriving at a fire scene. The Township also notes that since Fire Chief Maycock took over as Chief, Fire Officer 1 and II courses have been offered in-house to everyone in the department and estimates that 70 to 80% took advantage of the training. The Township argues that in difficult economic times, the Township must be vigilant about the prudent use of taxpayer dollars.

In the opinion of the panel chair, acting assignments are intended and should be used to cover the staffing needs of the department when there are short-term vacancies. Acting assignments should not be used to avoid filling an otherwise permanent or continually reoccurring vacancy as now the present practice. The cost of the Union's proposal is modest and within the Townships ability to pay. Among the comparable communities, Plymouth Township is about the only community that doesn't staff each company with a ranking officer. In the opinion of a majority of the panel, the Union's proposal is supported by the external comparables and more nearly

meets the Section 9 factors. Consequently, the panel will adopt the Union' last best offer on this issue.

AWARD-LIEUTENANT STAFFING/STATION 2

The Panel hereby adopts the last best offer of the Union as follows:


Article 35 (B), effective the date of this Award, is to be amended as follows:

- A. A staffing level will be maintained of fifteen (15) Firefighters, one (1) Fire Inspector, three (3) Lieutenants and three (3) Captains, for a total full-time staffing level of twenty-two (22) positions; and a minimum two-person (2) per station staffing level, one of which shall be a Lieutenant or above. In the event the department has only six (6) men on duty on any given day, the Officer at Fire Station #1 will not leave the Station for any non-emergency run, detail or fire inspection, except when the assigned firefighter accompanies him and consistent with the Fire Chief's directives.
- B. If no officer is on duty at a station for any period of a shift, then the Fire Chief will designate the senior Firefighter on duty to receive Acting Lieutenant's pay for such period.

BARRY OTT, PANEL CHAIR



RONALD R. HELVESTON, UNION DELEGATE



ERIC W. CHOLACK, TOWNSHIP DELEGATE (DISSENT)



HAZARDOUS MATERIALS TEAM BONUS

The parties both appear to be in agreement on this issue with a few minor exceptions. The Township has proposed an annual bonus of \$1,500; to be paid in the second pay period of January for participation in the previous calendar year to employees selected to participate on the Hazardous Materials team. The Township objects to the Union's reference in their proposal that identifies the bonus as a payment and seems to object to retroactivity. The Union in their brief uses the term bonus and "payment", but in their proposed language they identify the \$1,500 as an annual payment instead of a bonus. The Township didn't address just what the significance of the use of the words "bonus" and "payment" is. The Township in their proposal states that their language and prospective application is consistent with the proposed timing for the vast majority of the other issues and in their general proposal on retroactivity the Township only addresses wages and health insurance. The record evidence isn't very helpful since neither party submitted testimony or documentary evidence on this issue. The Union proposes that the bonus should be retroactive to April 1, 2006 and argues that the Hazardous Materials Team has been in operation for some time as evidenced by the testimony of Captain Charles Russo, who indicated that he secured training and worked on the team for eight and a half years. The Union argues that if service for work on the Hazardous Materials Team is worth \$1,500 today, then there is no reason why it should not be paid retroactively. The panel chair, in an attempt to find some guidance in the record, surveyed the labor agreements of the comparable communities and could not find any mention of any "Hazardous Materials" payment or bonus provisions. It would appear that

the parties are the first among the comparables to develop such a plan since most assuredly the other fire services must have squads that are trained to deal with hazardous materials incidents.

Since both parties seem to agree that the payment of \$1,500 annually is a “bonus”, a majority of the panel is of the opinion that the language of the Township’s proposal is the better of the two from a standpoint of clarity. As to retroactivity, a majority of the panel is of the opinion that since the bonus is a new provision, retroactivity should be prospective and toward that end will award the issue effective as of the date of the Award.

AWARD-HAZARDOUS MATERIALS BONUS

The Panel hereby adopts the last best offer of the Townships effective as of the date of the Award as follows:

Contract Language:

Add new article:

Employees selected to participate on the Hazardous Materials team shall receive an annual bonus of \$1,500, paid in the second pay period of January for participation in the previous calendar year. An employee who was on the team for less than the entire previous calendar year shall receive a pro-rated bonus.

C. BARRY OTT, PANEL CHAIR

C. Barry Ott

RONALD R. HELVESTON, UNION DELEGATE

Ronald R. Helveston DISSENT

ERIC W. CHOLACK, TOWNSHIP DELEGATE

Eric W. Cholack

PARAMEDIC BONUS

UNION ISSUE 9

The Union proposes to increase the present paramedic bonus from the present \$2,000 per year to \$3,000. Under the terms of the existing plan, the employees also receive the former EMT-D bonus of 1.5% of their annual base pay. Under the present plan; in the last year of the contract, a five-year fire fighter received a bonus of \$2,874. Since we have awarded the Union's proposal on wages, a five-year fire fighter who receives \$60,033.27 annually, 1.5% would produce about an additional \$900 annually for a total proposed paramedic bonus of \$2,900 annually in 2006, and about \$3,055 in 2008.

The Union contends that the present paramedic bonus is some \$1,420 less than the average of \$4,294 paid by the comparable communities. Union Exhibits #54 and #55 represent the bonus pay provided by the comparables. There is considerable difference between the data provided by the Union and that indicated in Township Exhibits #191-200. For example, the Township indicates the average paramedic bonus for 2006 of \$2,245 per year and the Union indicates an average of \$4,294. The difference is partially explained by the fact that Canton Township has a classification of fire fighter and a

separate classification for fire fighter/medic and the Union characterizes the difference in pay as a paramedic bonus, which it is not, but that may be a distinction without a difference. Similarly, Wayne and Waterford Township do not provide for a separate paramedic bonus and have rolled such payments into their base wage structure. Under such circumstances it seems reasonable to examine the comparables that do have a paramedic bonus and the overall compensation of those that do not. Canton Township, Wayne and Waterford Township all have a total compensation factor which is less than that provided by Plymouth Township. (See Township Exhibit # 191-200) The Townships that do provide a paramedic bonus we find that Harrison Township, Redford Township and Westland have a higher paramedic bonus than Plymouth Township, but both Redford Township and Westland have lower total compensation than that of Plymouth Township.

We need not review the respective arguments of the parties concerning the training and skill required to be a paramedic nor the exposure to danger and the physical and psychological stress and strain of the job. Such factors are certainly acknowledged and recognized by the members of the panel. We have examined the Township's argument regarding the fact that many of the comparable community paramedics are charged with the responsibility of being the primary transporter to hospital while the Plymouth paramedics are secondary transporters. We do not agree with the Township's contention that such status translates into less of a workload for the Township paramedics or that the record evidence supports such a conclusion.

The Union seeks a \$1,000 increase in the benefit which amounts to approximately a 35% increase in the bonus pay. Such an increase would place the Township's bonus more than \$2,000 per year above the average for the comparable communities.

When one considers the present and projected total compensation of the comparable communities it is apparent that Plymouth Township is overall in a favorable position.

In the opinion of a majority of the panel, the weight of the record evidence does not support a 35% increase in this benefit and does support the adoption of the Township's proposal as that which more closely meets the Section 9 factors.

AWARD-PARAMEDIC BONUS

The Panel hereby adopts the last best offer of the Township as follows:

Summary:

The Township proposes no change in the status quo and retention of the current contract language. The Township proposes to continue to pay the current bonus.

BARRY OTT, PANEL CHAIR

C. Barry Ott

RONALD R. HELVESTON, UNION DELEGATE

Ronald R. Helveston DISSENT

ERIC W. CHOLACK, TOWNSHIP DELEGATE

Eric W. Cholack

SICK LEAVE ACCRUAL

UNION ISSUE 12

Under the present contract, fire fighters accumulate twelve hours of sick time leave per month, or 144 hours per year that is placed in a sick time accumulation

bank. In addition, each fire fighter earns eight hours sick leave per month, or 96 hours per year that is placed in a supplemental sick time accumulation bank. When combined with the aforementioned accumulation, a fire fighter can accumulate up to 240 hour of sick leave per year. In the event a fire fighter exhausts all of his/her regular sick leave, they may then utilize time from the supplemental sick bank. The Union proposes to increase the accumulation of twelve hours per month to twenty-four hours. Union Exhibit #62 indicates that eight of the nine comparables have sick time banking provisions similar to Plymouth Township and seven of the eight provide more sick leave per year. Canton and Harrison Townships, Redford and Westland provide 24 hours per month of sick leave, or 288 hours per year. Livonia provides 216 hours per year, Shelby Township 192 and Madison Heights 180, while only Wayne provides fewer hours, at 134.4 hours. What is apparent is that the Union has not taken into account the supplement bank accumulation of an additional 96 hours per year allowed by the Township. When the additional 96 hours of supplemental accumulation is added to the Union proposal the annual accumulation jumps to 384 hours, higher than any other of the identified comparables.

While it is true that the Union in its last best offer has adjusted their proposal to address the concerns of the Township regarding the payoff of hours in excess of the current cap of 144 hours, and that the individuals bank would be reset at 540 and only those hours in excess of 684 would be paid, leaving the payoff maximum at the present level of 144, which would only be possible if the employee didn't use any sick leave in the calendar year.

After careful review of the respective arguments of the parties, a majority of the panel is of the opinion that the Union has not demonstrated that the preponderance of the evidence supports an increase to 24 hours of sick leave per month. Consequently, the panel is of the opinion that the adoption of the last best offer of the Township more nearly meets the Section 9 factors.

AWARD-SICK LEAVE ACCRUAL

The Panel hereby adopts the last best offer of the Township as follows:

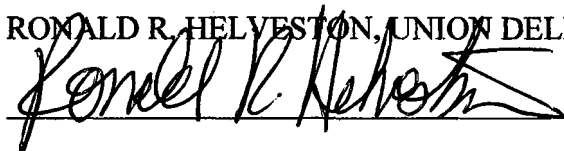
Summary:

The Township proposes no change in the status quo and the retention of the current contract language.

C BARRY OTT, PANEL CHAIR



RONALD R. HELVESTON, UNION DELEGATE



ERIC W. CHOLACK, TOWNSHIP DELEGATE



SICK LEAVE-DOCTOR'S NOTE WHEN SICK LEAVE USED ON TWO
CONSECUTIVE SCHEDULED WORK DAYS

TOWNSHIP ISSUE 7A

The Township proposes that a doctor's slip be required before returning to work when sick leave is taken on two consecutive workdays. The Union proposes to maintain the present language of the labor agreement that requires an employee to obtain a doctor's note if they use sick leave for "more than two consecutive days."

The Township maintains the present provision, which states that: "when the Employer has a reasonable belief that the employee is abusing the privileges of this Article," medical confirmation from the employee's doctor may be required, is too vague a standard. The Township suggests that arguments can arise over what constitutes a reasonable belief of abuse and could result in arbitration cases dealing with the circumstances of each case, providing little or no guidance to the parties for their future conduct. According to the Township, a consistent, automatic approach to requiring medical documentation would help the Township avoid perception of favoritism or retaliation.

The Union argues that Human Resources Director, Joann Coobatis testified that the Township had experienced only one case where they suspected an employee of the fire department of misusing sick leave and that employee received a written warning. The Union contends that the Township has failed to demonstrate any significant evidence to support the need to impose the requirement of securing a doctors note whenever an employee uses sick leave on two consecutive workdays instead of the present provision.

Moreover, the Union maintains that the evidence regarding alleged sick leave abuse is slight at best and the Township's own witness testimony supports their argument that the Township already has the tools to deal effectively with suspected cases of abuse.

The Union asserts that the Township proposal is not supported by the practices utilized in the comparable communities. Two of the communities, Livonia and Wayne have no automatic period of sick leave use that requires a note from a doctor. Five of the nine communities use the same time period as is presently provided in Plymouth Township. Only two communities have provisions that support a shorter time period: Canton Township and Madison Heights.


The Township must carry the burden of proof that there is a demonstrable need that supports the changes it seeks in this issue. In this instance, the record evidence does not support any finding that the employees of the fire department are abusing their sick leave privileges or that the present provisions of the labor agreement were not adequate to deal with the single case identified by the Township. In the opinion of a majority of the panel, the record evidence supports the adoption of the Union's proposal as it more closely meets the Section 9 factors of the Act.

**AWARD-SICK LEAVE: DOCTOR'S NOTE WHEN SICK LEAVE USED ON TWO
CONSECUTIVE SCHEDULED WORK DAYS**


The Panel hereby adopts the last best offer of the Union as follows:

The Union proposes the status quo be maintained.

C. BARRY OTT, PANEL CHAIR



RONALD R. HELVESTON, UNION DELEGATE



ERIC W. CHOLACK, TOWNSHIP DELEGATE (DISSENT)



SICK LEAVE-DOCTOR'S NOTE FOR SICK/VACATION COMBINATION

TOWNSHIP ISSUE 7B

The Township proposes to require an employee to provide a doctor's slip when sick leave is taken on the employee's last scheduled work day falling immediately before the employee takes a vacation day or when sick leave is taken on the employee's next scheduled work day falling immediately after the employee takes a vacation day(s). The Union proposes to maintain the status quo.

The Township contends that there is a shockingly high percentage of firefighters who have combined sick leave with vacation time. Township Exhibit #248 indicates that in 2005 and 2006, about twenty five percent of the bargaining unit members took sick leave either directly before or after vacation days. The Township speculates that such a volume of usage is not entirely coincidental, but more likely reflects attempts to extend vacation time by claiming illness in order to receive an additional "day off" consecutive to vacation time off.

The Union argues that none of the nine comparable communities have a requirement such as that sought by the Township's proposal. According to the Union, the

data reflecting the use of sick leave in conjunction with vacation leave isn't proof of abuse nor is it particularly meaningful since the Township didn't calculate how likely it is that the pattern of sick leave usage would result from random chance. In any event, the Union contends that the Township already has the tools it needs to require a doctors note to verify a claimed illness if they have a reasonable suspicion of abuse.

In examining Township Exhibit #248, we note that the Township does not indicate if the same employees used sick leave in conjunction with vacation in 2005 and 2006. If such a repetitive pattern did exist, the Township could very well require medical verification of the claimed illness under the existing provisions of the labor agreement. The record does not indicate what if any action the Township has taken if a repetitive pattern did exist.

The panel is mindful of the intended purpose of sick leave and the obligation that employees have to use the benefit for its intended purpose and to be honest in that regard. However, in this instance the Township has not provided conclusive evidence of abuse on the part of members of the bargaining unit that would warrant the imposition of an automatic requirement to provide medical verification. A majority of the panel is of the opinion that the Section 9 factors are more nearly met by the adoption of the Union's proposal.

AWARD-SICK LEAVE: DOCTOR'S NOTE FOR SICK LEAVE/VACATION

COMBINATION

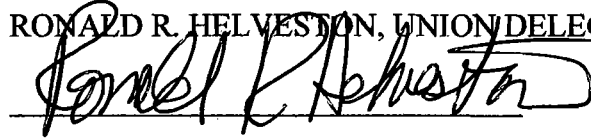
The Panel hereby adopts the last best offer of the Union as follows:

The Union proposes the status quo be maintained.

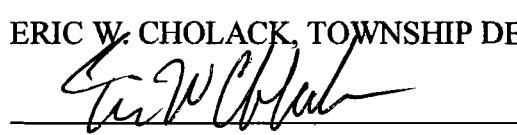
C. BARRY OTT, PANEL CHAIR



RONALD R. HELVESTON, UNION DELEGATE



ERIC W. CHOLACK, TOWNSHIP DELEGATE (DISSENT)



USE OF SUPPLEMENTAL SICK LEAVE BANK, USE OF SICK LEAVE WHILE
ON LIGHT DUTY , USE OF SICK LEAVE FOR EMERGENCY PROGRAM
MANAGER/TRAINING OFFICER
TOWNSHIP ISSUE 7C

The Township claims its proposal clarifies when an employee becomes eligible to use supplemental sick leave, how much sick leave is used when on light duty, and how the Township buys back sick leave from the Emergency Program Manager/Training Officer. The proposal would impose a waiting or “elimination” period, requiring an employee to be absent from work for at least three (3) consecutive twenty-four (24) hour work days or for two (2) full work weeks for thirty-seven and a half (37.5) hour employees before he/she may begin utilizing supplemental sick leave benefits. This requirement translates to imposing a period without pay for three (3) twenty-four hour shifts for employees working on a twenty-four (24) hour duty shift, and two (2) weeks without pay for employees working on a traditional work week before they may utilize their supplemental sick leave. The

present provisions of the labor agreement, in effect since June 19, 1990, allow firefighters who suffer an illness or injury which is disabling, to utilize supplemental sick leave after they have exhausted their regular sick leave and have no other paid leave time to cover their absence between the onset of the illness or injury and the commencement of disability insurance benefits.

The Union asserts that there is no ambiguity or need for clarification of this language, and the manner in which it has been applied since 1990. The Union contends there is no record evidence to support the Township's proposal among the comparable communities and only one of the internal police bargaining units has such a provision and the other has the same benefit as the firefighters.

The panel has carefully reviewed the record evidence on this issue and finds that the Township has failed to provide any convincing support for their proposal. The panel views the proposal to clarify the work week language for twenty-four hour and seven and one half hour day employees and the payoff provisions for the Emergency Program Manager/Training Officer to be housekeeping matters, best left to the parties to clean up.


A majority of the panel is of the opinion that the interests of the Section 9 factors are more closely met by the adoption of the Union's proposal for the maintenance of the status quo.

AWARD-USE OF SUPPLEMENTAL SICK LEAVE BANK, USE OF SICK
LEAVE WHILE ON LIGHT DUTY, USE OF SICK LEAVE FOR EMERGENCY
PROGRAM MANAGER/TRAINING OFFICER

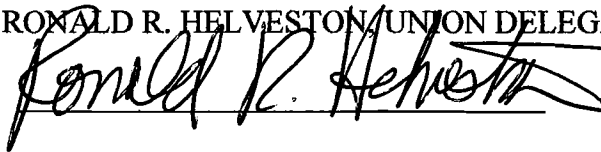
The Panel hereby adopts the last best offer of the Union as follows:

The Union proposes the status quo be maintained.


C. BARRY OTT, PANEL CHAIR



RONALD R. HELVESTON, UNION DELEGATE



ERIC W. CHOLACK, TOWNSHIP DELEGATE (DISSENT)



DISCIPLINE

UNION ISSUE 14

The Union proposes to remove disciplinary actions from a fire fighter's file after two years. The Union argues that fairness dictates that an employee who makes a mistake should, after a reasonable time, be able to have the record of disciplinary action removed. According to the Union, there is a difference between an employee who commits an infraction of the rules three times in one year and an employee who commits an infraction three times over a twenty-year period. They argue that the way

to distinguish such cases is to limit how long a disciplinary action can be retained and used to augment the penalty for a subsequent transgression.

Union Exhibit #94 indicates that three of the comparable communities have no provisions for expunging an employee's disciplinary record, three provide for either the removal of warnings or reprimands or prohibit consideration in determining disciplinary action on a current charge and two permit removal after two years. Three of the five communities that have such provisions address only warnings and reprimands; none deal with more serious disciplinary actions such as demotion or suspensions without pay.

The Township proposes to maintain the status quo and argues that the Union's proposal is unclear in that it states it is to apply to "all forms of discipline", but then seems to specify only oral or written reprimands. According to the Township, the totality of an employee's disciplinary record is important to show the full history of an employee's conduct, and points out that most arbitrators take into account the age of past disciplinary offenses in determining their application for a current offense.

The panel recognizes that many employers consider disciplinary action to be corrective in nature rather than punitive and should be progressive, except those that involve the more serious infraction. The Union's proposal in the opinion of a majority of the panel doesn't seem to make any distinction between major and minor disciplinary actions, it would allow the removal of "all forms of discipline". If the proposal was limited to only oral and written reprimands, it would have some support among the comparable communities, but it is not so limited and as such has nearly no

support among the comparables. Consequently, a majority of the panel is of the opinion that the interests of the Section 9 factors are more nearly met by the adoption of the Township's proposal to maintain the status quo.

AWARD-DISCIPLINE

The Panel hereby adopts the last best offer of the Township as follows:

The Township proposes no change in the status quo and the retention of the current contract language.

C. BARRY OTT, PANEL CHAIR

C. Barry Ott

RONALD R. HELVESTON, UNION DELEGATE

Ronald R. Helveston **DISSENT**

ERIC W. CHOLACK, TOWNSHIP DELEGATE

Eric W. Cholack

HOLIDAY PAYMENT

TOWNSHIP ISSUE 9

The Township proposes to require employees to provide a doctor's note when an employee takes an unscheduled absence around a holiday in order to qualify for holiday pay. The Township also seeks to codify its current practice of not providing holiday pay to an employee not on the Township payroll but receiving benefits under the Township's long-term disability plan. The proposal also modifies the holiday pay

calculation to make it consistent with the average number of hours scheduled for firefighters annually at 2,912 hours rather than 2,808 hours.

The Township maintains there is a problem with employees taking sick leave consecutively with a holiday, implying that some members of the fire department are abusing their sick leave privileges. Township Exhibits #254 and 255 indicate that in 2006, 33% of bargaining unit employees utilized sick leave on, before, or after a major holiday, and in 2005, 36% of employees used sick leave in connection with a holiday, and at least one fire department employee took sick leave before, after, or on five of the six major holidays.

The Union proposes to maintain the status quo on this issue and maintains that the Township has failed to offer evidence that fire fighters are misusing sick leave to extend holidays. The Union asserts that Township Exhibits #254 and 255 do not constitute evidence of the abuse of sick leave and suggests that such use can be attributable to chance. The Union points to the work schedule that the fire department utilizes: one day on duty, one day off duty, then on, then off, surrounded on both sides by four days off and illustrates in their brief that one platoon is scheduled to work the day before and the day after the holiday. Any member of platoon one who takes a sick day on either of those workdays would have to provide a doctor's note. For platoon three, any employee who used sick leave two calendar days before the holiday or three calendar days after a holiday would have to provide a doctor's note. For platoon two, any employee who used a sick leave day five days before a holiday, on the holiday, or two days after the holiday would have to provide a doctor's note. The Union asserts that the random chance of an illness absence that would trigger a

violation of the proposed plan of the Township using six different holidays is 378 chances and one could expect eight or nine potential violations purely by chance. (See calculations at footnote 38 of Union brief, p94.)

The Union maintains that none of the comparable communities have a provision that disqualifies a fire fighter from receiving holiday pay because of the use of sick leave on a holiday, or the day before or after, and neither of the police bargaining units have such a provision. Union Exhibits #139 and 140. The Union asserts that the Township has failed to meet the burden of proof of abuse of sick leave in connection with a holiday and urges adoption of their proposal.

In the opinion of a majority of the panel the record evidence does not support any finding of sick leave abuse by fire fighters in connection with paid holidays. Indeed, such absences are just as likely to occur as a result of random chance. Again, the Township has the tools in the present contract to address reasonable suspicion of sick leave abuse and there is no record that the Township has even attempted to use those tools in instances where they might claim a reasonable suspicion of abuse of sick leave in connection with a holiday. A majority of the panel is of the opinion that the Section 9 factors are more nearly met by the adoption of the Union's proposal of maintaining the status quo. It should be noted here that we reject the Township's proposal to change the method of calculating the hourly rate as unsupported by the evidence. We make no ruling as to issue of holiday pay for employees on long-term disability leave as that is a matter of the parties past practices in the administration of the existing contract language.

AWARD- HOLIDAY PAYMENT

The Panel hereby adopts the last best offer of settlement of the Union as follows:

The Union proposes the status quo be maintained.

C. BARRY OTT, PANEL CHAIR

C. Barry Ott

RONALD R. HELVESTON, UNION DELEGATE

Ronald R. Helveston

ERIC W. CHOLACK, TOWNSHIP DELEGATE (DISSSENT)

Eric W. Cholack

VACATION

TOWNSHIP ISSUE 12

The Township proposes that employees divide their vacation time between winter and summer to encourage a more even distribution of vacations. The record indicates that the Township incurs overtime for a five-year firefighter at the rate of \$747.36 in 2006 wages to replace a vacationing fire fighter. Township Exhibit #270 shows the distribution of vacation days, indicating that June, July, August, September and December are the months with higher vacation use. The Township argues that the external comparables of Canton Township, Livonia, and Redford Township require firefighters to split vacation leave time between summer and winter vacations. (See J-95, pp. 20, J-98, p. 22, and J-100, p. 17.

The Union contends that the overtime problem isn't caused by vacation leave, but by the fact that the fire department has been operating below budgeted staffing levels since 2005, because the Township elected not to fill vacant positions. The Union maintains that at the time of the hearings, the department had seven fire fighters on two platoons, and six on the third platoon. With this staffing level overtime will frequently occur if any firefighter is on sick leave, personal leave, bereavement leave or any kind of leave permitted under the contract. Even Fire Chief Maycock agreed that when staffing falls below 27 and drops to 24 or 21 more overtime would be required to staff the fire stations. The Union argues that any overtime problem experienced by the Township is not caused by vacation leave, but is self-inflicted by the Township's decision not to fill vacant positions. The Union notes that during the hearings the Township elected to move forward to fill vacancies and when staffed at the budgeted level of 27 the need for overtime would be reduced. (See Chief Maycock's testimony, Vol. 8 at p.32) The Union contends that no other group of internal comparables is subject to the restriction on vacation scheduling and neither should the fire fighters.

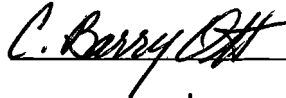
The record evidence indicates that only three of the nine comparables have restrictions on vacation allocations between winter and summer months and none of the internal comparables. This evidence together with the return to higher staffing levels is sufficient for the panel to conclude that the need for such restrictions on vacation scheduling has in all likelihood dissipated. Consequently, a majority of the panel is of the opinion that the Section 9 factors of the Act are more closely met by the adoption of the Union's proposal.

AWARD-VACATION

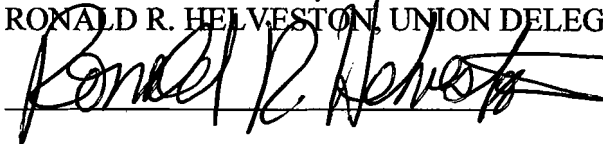
The Panel hereby adopts the last best offer of settlement of the Union as follows:

The Union proposes maintaining the status quo.

C. BARRY OTT, PANEL CHAIR

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RONALD R. HELVESTON, UNION DELEGATE

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ERIC W. CHOLACK, TOWNSHIP DELEGATE (DISSENT)

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OVERTIME PAY

TOWNSHIP ISSUE 6

The Township seeks to: change the administration of overtime by providing for one calculation for all types of overtime payments, streamline overtime payments into two categories; FLSA overtime and contractual overtime, eliminate current contractual inconsistencies between a 54-hour and a 56-hour workweek, and provide for overtime payments based on hours worked consistent with FLSA standards. According to the Township the present provision requires the administration to deal with a system that incorporates three different types of overtime with three different overtime rates. One area of concern involves Article 6(A) of the present contract that specifies that the work - week for firefighters and fire officers shall be 56 hours a week based on a yearly average.

This average multiplied by 52 weeks equals 2,912, but the contract at Section 6(C) bases the annual salary upon a 54-hour week, with no explanation. This factor multiplied by 52 results in 2,808 annual hours, and is used under the terms of the contract to determine the contractual hourly wage. In addition, the contract provision requires the payment at overtime rates for the 54th hour by the payment of a half hour each week since the hourly rate is already included in the overtime wage calculation at straight time. This system according to the Township is confusing, unnecessarily complicated and places a difficult burden on the Human Resources Director who must keep track of the changes that occur with considerable frequency. Another type of overtime is referred to as "604" that is not defined in the contract, but results whenever a firefighter works 10 days in a 28 day period rather than the typical 9 days and results in the potential payment of an additional 24 hours of overtime pay. This provision once again requires monitoring by the HRD. Finally, there is contractual overtime that occurs whenever a firefighter is called back to duty to work. When called back to work the firefighter is afforded a minimum of two hours of overtime pay. The Township's proposal would simplify overtime by providing that if a firefighter works more than 212 hours in a 28-day cycle, they would be paid overtime for each hour worked thereafter. Leave time would not be counted as time worked, however, but the proposal does not count hours of contractual overtime towards the 212 hours in a 28-day cycle. In the opinion of the Township their proposal would enhance accuracy, consistency and understanding for the future, consistent with the FLSA.

The Union takes a decidedly different view of the Township's proposal, to them it is a thinly veiled attempt to cut cash pay for overtime in a very significant way.

In the negotiations that resulted in the previous contract, the fire fighters made overtime pay concessions in exchange for changes in the pension plan. According to the Union, the alleged complexity in calculating overtime was created by the Township's own actions in pursuing overtime changes in the last negotiations, and on account of unilateral actions taken by the Township after the last contract was settled. In doing so the Township reduced overtime benefits by introducing a variety of overtime calculations that were allegedly designed to solve the complexity of calculating overtime and now seeks to further reduce overtime benefits with its proposal. The Union contends that the Township's proposal would significantly reduce the firefighter's overtime cash benefits. It would reduce the overtime rate by changing the divisor for base pay from 2,808 hours to 2,912 resulting in a loss of about 3.5% in "604" overtime pay. An even greater potential loss in "604" overtime cash would result from the proposal to eliminate vacation time as work time from the "604" calculation. Additional decreases would result by the elimination of the "54th" hour overtime pay. In the Union's view the Township now seeks to penalize the firefighters by reducing their overtime pay to correct complexities of their own making and impose further concession without a quid pro quo. The Union maintains there is nothing in the record that justifies such a proposal and urges the adoption of their proposal to maintain the status quo.

The panel has very carefully reviewed the record on this issue, including the decision in the grievance arbitration case, and the Union's exhibits prepared by Captain Phillips. It is clear that while there is some complexity involved in the variety of types of overtime and the methods of overtime rate calculation, these procedures were the result of the give and take inherent in the bargaining process over a long period of time and

were, at least in part, the result of the Townships' own actions. In the opinion of the panel, there is no compelling record evidence to support the township's proposal based on internal or external comparables. Moreover, the parties having created the overtime provisions through negotiations, they should be left to that process to work out any necessary refinements that they mutually deem appropriate. A majority of the panel is of the opinion that the adoption of the last best offer of the Union more nearly meets the Section 9 factors of the Act.

AWARD-OVERTIME PAY

The Panel hereby adopts the last best offer of the Union as follows:

The Union proposes the status quo be maintained.

C.BARRY OTT, PANEL CHAIR

C. Barry Ott

RONALD R. HELVESTON, UNION DELEGATE

Ronald R. Helveston

ERIC W. CHOLACK, TOWNSHIP DELEGATE (DISSENT)

Eric W. Cholack

Date: 7/10/08