

STATE OF MICHIGAN
EMPLOYMENT RELATIONS COMMISSION
ACT 312 ARBITRATION PROCEEDING

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EMPLOYMENT RELATIONS COMMISSION
GENERAL OFFICE

In the Matter of:

CITY OF GRANDVILLE,

Employer,

-and-

MERC Case No.: L14 C-0211

POLICE OFFICERS LABOR COUNCIL

Union.

ACT 312 Arbitration Panel
HIRAM S. GROSSMAN Chairperson
J. Patrick White, Employer Delegate
Ed Hillyer, Union Delegate

Appearances

J. Patrick White (P-33296) Representing Employer on Brief
Brendan J. Canfield (P-68843) Representing Union on Brief

OPINION and AWARD
STIPULATION and AGREEMENTS

After this matter had been assigned to this Chairperson the parties stipulated the shift transfer for training issue would be determined by the Act 312 Arbitration Panel hearing the rank and file bargaining unit's Act 312 Proceeding. The same issue was before Act 312 Chairperson Kenneth P. Frankland. Testimony was taken on this issue. The POLC had proposed the following additional language be added to the existing language: "apply only to full work days of training/scheduled and" The Employer opposed this additional language proposing no change to the existing language. The arbitration award issued on October 1, 2014, and adopted the Employer's position of no change in the existing language.

The Employer and Union had stipulated and agreed prior to the issuance of the Act 312 Compulsory Arbitration Award for the rank and file police officer's unit to adopt

whichever award the Act 312 panel made on this issue to the command officers Act 312 Proceeding.

AGREEMENTS MADE BY THE PARTIES

1. The Employer and Union agreed to submit the command units Act 312 issues in the above entitled matter on brief and exhibits without any hearing.

2. The Employer and Union agreed to accept the Act 312 Arbitration Panel percentage wage increase award for the rank and file bargaining unit for each of the three (3) years being; 2014 – 1.25%, 2015 – 2.25%, 2016 – 2.75%. The 312 Award for the rank and file unit issued October 1, 2014.

The basis for this particular agreement is tied to the language in the Command Officers contract requiring the pay in the sergeant's unit be 112% of the highest step paid to the rank and file officers in each year of the contract.

3. The Employer implemented the 1.25% wage increase paid to the rank and file officers to the command officers unit on October 16, 2014, along with the 12% differential from the highest step increase contained in the rank and file contract to the command officer's unit.

4. The Employer and Union have agreed the command officer's collective bargaining agreement's duration would be three (3) years, the same as the rank and file collective bargaining agreement, expiring on 6-30-2017.

5. The Employer and Union agree the sole remaining issue is the percentage differential between the highest paid step in the rank and file bargaining unit contract and the percentage differential the command officers are to receive.

The Employer's last best offer on the wage differential the command officers are to be paid is 12% more of the base wage paid the top step of the Rank and File Patrolman's contract in 2014, 2015, and 2016.

The Union's last best offer 13.5% more of the base wage paid to the top step of the Rank and File Patrolman's per the appendix of the Rank and File Patrolman unit's collective bargaining agreement.

6. The Employer and Union have agreed on the same set of comparable communities; Holland, Kentwood, Norton Shores, Traverse City, and Walker.

7. The Employer and Union agreed there is no issue of ability to pay in either the rank and file patrolman's unit, nor in the command officer's unit.

8. The Employer and Union agreed the command officer's unit is comprised of 5 sergeants.

9. The Employer and Union agree the base salary of the Union and Employer's proposal would be:

	Union	Employer
2014	69,135.00	68,221
2015	70,690.00	69,756
2016	72,634	71,674

10. While the Employer and Union have agreed not to include all the tentative agreements reached during negotiation of this Contract as an exhibit to this Opinion and Award, the Employer and Union agreed to incorporate and implement each of the tentative agreements reached during their negotiations into their collective bargaining agreement.

FACTS

The POLC represents a bargaining unit of all full time sergeants employed by the City of Grandville. Of the five (5) sergeants four (4) of them perform outside duties driving a police car in addition to their administrative duties they perform. One sergeant performs his duties inside and does not do outside type work as his four (4) colleagues perform. On, or about, June 6, 2014, the POLC filed its petition for Act 312 Arbitration. Initially the petition listed two (2) issues, shift transfer for training, and wage differential. However the parties agreed to accept the Rank and File Police Officer's Arbitration Panel's opinion and award dated October 1, 2014, which also resolved the issue regarding shift transfers for training for the Sergeant's Unit. The issue was resolved by accepting the Employer's proposal of having no changes made to the existing language.

The Union had made a proposal that provided additional language to accommodate the Sergeants Unit in the event of certain training occurrences.

There is no issue involving the Employer's inability to pay. The sole economic issue is the percentage of pay differential between the highest step the patrol officer's contract and the sergeant's rate of pay. The Employer's proposed 12% more differential calls for no change in the greater percentage differential, the Union's proposal is 13.5% differential.

Grandville (hereafter, "City") operates under the Council-Manager form of government and was incorporated in 1933. It is located in southwestern Kent County, eight miles southwest of Grand Rapids. It has approximately 8 square miles. The 2010 estimated population was 15,378.

According to the Act 312 Petition for the rank and file unit, there are 15 members of this Police unit, all sworn police officers under the rank of sergeants, 5 sergeants and a total of 24 sworn officers in the department. Both the rank and file and sergeant's unit are represented by the POLC. The current contract ran from July 1, 2011, and expired June 30, 2014. The new contract is for three (3) years, from July 1, 2014 to June 30, 2017. The parties have negotiated in good faith on a new contract.

The City has three (3) bargaining units besides this unit: Rank and File, Clean Water (DCW), and Public Works (DPW). Additionally, the City identifies all other non-union employees as "administrative," which includes six (6) FTE fire-fighters identified as administrative employees by Grandville. There is no fire-fighters bargaining unit.

The City has negotiated 1.25% increases for 2014 with the DCW and DPW and provided the same increase for the administrative employees. The City manager testified in the Rank & File Act 312 hearing that the City tries its best to keep internal consistency among the various bargaining units and unrepresented and administrative employees, in terms of percentage wage increase.

STATUTORY AUTHORITY and STANDARDS of REVIEW

Act 312 of 1965, MCL 423.231, *et seq*, provides for compulsory arbitration of labor disputes of municipal police officers and fire departments. Section 8 of Act 312 states in relation to economic issues that:

. . . . As to each economic issue, the arbitration panel shall adopt the last offer of settlement which, in the opinion of the arbitration panel, more nearly complies with the applicable factors prescribed in section 9. The findings, opinions and order as to all other issues shall be based upon the applicable factors prescribed in section 9.

Section 9 of Act 312 contains nine factors upon which the panel is to base its opinion and award:

- a. The financial ability of the unit of government to pay ...;
- b. The lawful authority of the employer;
- c. Stipulations of the parties;
- 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 in both of the following:
 - i. public employment in comparable communities
 - ii. private employment in comparable communities
- e. Comparison of the wages, hours and conditions of employment of other employees of the unit of government outside of the bargaining unit in question;
- f. The average consumer prices for goods and services commonly known as the cost of living;
- g. 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;
- h. Changes of the foregoing circumstances during the pendency of the arbitration proceedings; and
- i. Other factors that are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties in the public service or in private employment.

(2) The arbitration panel shall give the financial ability of the unit of government to pay the most significance, if the determination is supported by competent, material and substantial evidence.

Section 10 of Act 312 provides that the decision of the arbitration panel must be supported by "competent, material and substantial evidence on the whole record. . . ."

The panel may give more weight or less weight, as it deems appropriate, to any one factor. *City of Detroit v Detroit Officers Ass'n.*, 408 Mich 410, 483-484 (1980). In the ensuing discussion, the panel will discuss the Section 9 factor(s) which are most pertinent.

The City has not raised ability to pay as an issue thus the Panel need not consider Sections 9(1)a nor 9(2) in its deliberations.

OPINION and AWARD ISSUES

1. Shift Transfer for training.
 2. Wage Differential
-

ISSUE ONE

Shift Transfers For Training

Article 17, Section 59 (b) 2.

The proposal for modification of the Article was made by the Union. The modification is in bold print.

It is further understood that should a situation arise where the Chief of Police has determined that it is in the best interest of the City, the Police Department and/or the individual, the personnel can and may be transferred to different shifts regardless of seniority status or preference. Reasons for such transfer are training or school attendance and preparation for reassignment. **Such transfers shall apply only to full work days of training/scheduled school and be binding on all specifically affected.**

The Employer's proposal leaves the language as it, is in the command officer contract that expired June 30, 2014.

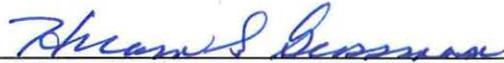
During the Act 312 proceedings for the rank and file police officer's contract, the parties agreed the decision of the Act 312 panel, chaired by Chairman Kenneth P. Frankland would be dispositive and resolve this issue for the command officer's unit.

On October 1, 2014, the rank and file Act 312 panel issued its Opinion and Award on this issue, holding "The Panel finds that the Union has not carried the burden

of proof that its proposal should be adopted and thus the Panel will award the City offer of no change."

Thus, the Opinion and Award of the command officer's panel is the agreement reached by the Union and Employer to accept the determination of the rank and file Act 312 panel of no change to the language of Article 17, Section 59 (b) 2 be and hereby is adopted as the award of the command officer's Act 312 Panel.

Dated: 12/22/2014


Hiram S. Grossman (P14425)

 12/18/14
John Patrick White, City Delegate
Affirm Dissent

 12/18/14
Ed Hillyer, Union Delegate
Affirm Dissent

ISSUE TWO – Wage Differential

The Rank and File Act 312 Arbitration Panel issued its Opinion and Award on October 1, 2014, granting the following wage increases:

2014	1.25%	Employer Proposal
Effective 7-1-15	2.25%	Union Proposal
Effective 7-1-16	2.75%	Union Proposal

The significance of the Rank and File Act 312's Panel's award on the Command Officer Unit is because the inextricable connection between the Command Officer's Contract requirement that the wages and salary of command officers is to be 12% above the top step in the Rank and File Officers contract. Thus, the wage and salary increase received by the Rank and File Unit automatically inures to the benefit of the command officers by operation of the Command Officer's Contract language.

The last best offer made by each party:

Employer: 12% above the highest step in the Rank and File Police Officer's Contract wage differential for each of the three (3) years. This is the current wage differential.

Union: 13.5% wage differential of the highest step in the Rank and File Police Officer's Contract for each of the three (3) years. This represents an increase in the wage differential between the Rank and File Officer's Contract's highest step in each of the three (3) years awarded by Rank and File Officer's Act 312 Arbitration Panel.

POSITIONS OF THE PARTIES

EMPLOYER

A. Internal. The employer has collective bargaining agreements with the Department of Clean Water (DCW), and with the Department of Public Works (DPW), in addition to the 2 POLC units, rank and file and command officers. The City identifies all other unrepresented employees, included in this group are the fire department employees, Employer's Exhibit F. The employer has stated it is desirous and a wish of its to keep the internal increases for all of its employees comparable if not the same. All of the employer's employees with the exception of the police department units and the fire department firefighters and the lieutenant are not covered by Act 312. Additionally, the employer's Exhibit F shows the fire department lieutenant at the starting rate of the lieutenant's pay scale while the command officer unit's base salary is based upon the top step of the Rank and File Contract, increased by 12%. This is not a true comparison, it is more like comparing apples and oranges.

Thus, while I understand the employer's concern about internal equality amongst the various groups of their employees, the expression "that ship has long ago sailed" is applicable. What the wage differential more likely shows, is the market value for different classifications determine the pay level they receive. Therefore, the internal increases between its various groups of employees while important to the employer is not a determinative factor in the Command Officer's Act 312 member's consideration on the wage proposals for the Command Officer's Unit.

B. External Comparisons. The employer points out, Grandville has the lowest SEV of the comparable communities, as well as the second lowest General Fund

Balance, employer Exhibit R, P. 4. Grandville has the smallest department and the third (3rd) smallest ratio of sergeants to patrol officers, Employer Exhibit G, P. 2. Grandville and three (3) of the other comparables are operating at a deficit while only Traverse City and Walker are not, employer Exhibit D, P. 4. Excess spending reduces the general fund budget. The modest wage increases obtained by the police officer units is indicative there will not be large awards received by the comparable units in the near future. The wage differential between sergeants and the patrol officers is 11% more in Norton Shores and 12% more in Holland. The wage differentials are: Kentwood 14% more, Walker 14% more and Traverse City 13% more. The differential for all five (5) comparable communities is 126%. Grandville's sergeants' supervise fewer officers than any of the comparables, employer Exhibit G, P. 2. Grandville's wage differential of 1.12% ranks the sergeants as the fourth (4th) highest rate of pay group out of the six (6). Other comparables for the July, 2014 – June 30, 2015, fiscal year, include increasing the reimbursement for optical expense and tuition reimbursement, doubling the insurance coverage paid by the Employer, and gun reimbursement. Employer's Brief, pg. 9.

For all these reasons the city believes its proposal of maintaining the wage differential at 12% more than the top step level of the Rank and File Officer's agreement supports maintaining the current level at 12% greater and rejecting the union's proposal of a 13.5% greater wage differential.

UNION'S POSITION

Based on the relevant factors, the Union's last best offer is much more reasonable. Panel Chairman Frankland notes, "the City has not invoked an inability to pay argument" in the patrol unit's 312 hearing, and the Union does not expect the City to claim an inability to pay now. (U. Ex. 6, pg. 8.) The reason is because the City's finances are on solid ground. For the Fiscal Year Ending June 30, 2013, the City maintained an unreserved fund balance of 24% of its expenditure. (U. Ex. 7, pg 2.) With such a healthy fiscal reserve, there is absolutely no inability to pay the Union's modest wage increase for only five sergeants. (Er. Ex. F, pg 1.)

The compensation of sergeants employed by comparable communities falls squarely in favor of the Union. Even though no other community has a contractually mandated wage differential, the sergeants in those communities, on average, still enjoy a differential 14% higher than Grandville's sergeants. (U. Ex. 7, pg. 5.) The base wage history charts

are also worth discussion. Grandville sergeants are ranked fourth out of the six communities, taking in \$1,127 per year below average. (U. Ex. 7, pg. 6.) Similarly, the cumulate (sic) cumulative wage increase from 2007 to 2014 has been smaller for Grandville sergeants than their counterparts; the unit is 1% below average over that time period. (U. Ex. 7, pg. 7.)

The base wage charts, however, do not tell the whole story. The differentials between Grandville Sergeants and sergeants employed in comparable communities become even more striking when the units' entire economic compensation is considered. Education incentives, longevity pay, shift premium, and gun allowances push Grandville sergeants further down the economic ladder. (See U. Ex. 7, pages. 13-16) As of the contract's expiration in 2014, Grandville sergeants ranked fifth among the relevant communities, earning a significant \$3,150 per year less on average. (U. Ex. 7, pg. 10.) Even an award in favor of the Union would not materially change this reality. As of the date of the Award, the Union would still be ranked fifth among the six communities with a total compensation \$1,394 below average. (U. Ex. 7, pg. 11.) This, alone, justifies adopting the Union's last best offer.

The Union's wage increase is based on much more than economics. The fact that sergeants earned 11.8% above patrol officers in 2005 shows that the differential has been stagnant for a decade. (U. Ex. 7, pg. 3.) Yet, just this past contract year, the Employer heaped numerous additional duties on sergeants. They are now responsible for the Intern Coordinator duties; scheduling of officers for patrol assignments and training; SWOT duties; added burdens and required knowledge due to technological changes; an increased frequency of problem solving decisions; inventory responsibilities, property room audits; and field training officer assignments. (U. Ex. 7, pg. 12.) Simply stated, these are significant added responsibilities that should result in increased pay.

The Union believes it has provided ample reasons for granting its last best offer to increase the wage differential from 12% more to 13.5% more of the highest step in the rank and file's step scale.

DISCUSSION

Although the parties have not requested the panel consider and make a separate award for each of the three (3) years of the new contract on wages, the panel has determined to do so to maintain the symmetry with the Rank and File Act 312 Arbitration Panel's Award.

Year 2014

The Rank and File Police Officer's Act 312 Arbitration Panel's Award was a 1.25% general wage increase, by doing so accepting the employer's last best offer.

Wage Differential Proposals.

Employer LBO 12% wage differential this is the existing differential between the Sergeant's Unit and the Rank and File Officer's Unit.

Union LBO 13.5% wage differential between the highest step in the Rank and File Contract.

The cost differential per each of the five (5) sergeants in the unit is \$914.00 per sergeant, and a total cost \$4,570.00 per year. The City has not claimed an inability to pay. Without this factor to consider the Panel believes the most pertinent section of the Act would be 9(1) of MCL 423.231 being Sections 9(1)(d)(e) and (g). The City maintains the most important factors are 9(e) and (g). The Union maintains the most important factors are (d) and (e).

The employer's last best offer for 2014 would be \$68,221.00 (only dollars shown).

The Union's last best offer for 2014 is \$69,135.

The difference being \$914.00 per sergeant.

There are questions why Traverse City was used as one of the comparables. It is not in Kent County. In fact it has not a contiguous county. However, since it was agreed upon by both parties as a comparable community it will be used and considered. Even taking Traverse City into consideration, the yearly salary of all six (6) comparables, Grandville will have the fourth (4th) highest yearly base wage. Without Traverse City, Grandville will have the fourth (4th) highest early salary. The average salary of the six (6) comparables, including Grandville and Traverse City, is \$68,506.00. The salary average differential is \$1,127, prior to the issuance as the award.

❖ Prior to implementation of Act 312 Awards, for 2014:

\$68,506.00..... Average of all comparables

\$67,379.00..... Grandville, base salary

\$1,127.00..... Lower than all 6 comparable communities

❖ Comparison of differential between the high comparable and the Union's and Employer's wage differential proposal :

❖ Walker and Employer's proposal:

\$73,458.00..... Walker
\$68,221.00..... Employer's proposal
\$5,237.00..... Lower yearly base wage

❖ Walker and Union's proposal:

\$73,458.00..... Walker
\$69,135.00..... Union's proposal
\$4,323.00..... Lower yearly base wage

❖ Comparing the comparables ranked third (3rd) (Kentwood with Grandville):

Employer's and Union's proposal

\$71,190.00..... Kentwood, ranked 3rd
\$68,221.00..... Employer's proposal
\$2,969.00..... Lower yearly base wage

\$71,190.00..... Kentwood, ranked 3rd
\$69,135.00..... Union's proposal
\$2,055.00..... Lower yearly base wage

The differences are somewhat significant reviewing Employer's. Exhibit G, pg. 6. The Union offers a series of exhibits providing a compelling argument in support of their proposal to increase the salary differential from the current 12% to 13.5%, Union's Exhibit 7, pg. 5. The average wage differential shown between patrol officers and sergeants, from a high of \$9,660.00 Walker to a low of \$6,851.00 Norton Shores; an average of all comparables is \$7,962.00. Grandville current differential \$7,219.00,

Grandville's current below average of all comparable \$748.00 results in a below average differential of \$658.00. Union's Exhibit 7, pg.5.

Economic compensation of a 25 year sergeant base wage, education incentive, longevity shift premium, uniform cleaning, gun allowance for the year:

2013 Grandville ranks fifth (5th) with total compensation of \$69,116.00 and below average of all four (4) other comparables.

2014 Grandville ranks fifth (5th) \$68,779 and \$3,150 below the average of four of the five comparables.

2014 as of date of award, if the employer's proposal on wage differential is accepted the Sergeant's total compensation would be \$69,621.00 ranked fifth (5th) \$2,308.00 below average 2014 wage as of date of award. If the Union's differential is accepted \$70,635.00 Grandville's sergeant total compensation would be ranked fifth (5th) and would be \$1,394.00 below average of the five (5) other comparables. Union's Exhibit 7, pg. 1.

An examination of the Union's Exhibit 7, pg. 6, and comparing accepting the Union's last best offer of a 13.5% wage differential, Grandville's wage base rate for the Sergeant's Unit would be: Grandville \$69,135.00, and the wage base rate of Walker \$73,458.00, rated 1, Holland's \$71,349.00, rated 2, and Kentwood \$71,190.00, rated 3. The disparity would be comparing Walker's high base wage rate, rank 1 of \$73,458.00, with Grandville's \$69,135.00 results in Grandville's base wage being \$4,323.00 less than Walker's, the high disparity. Comparing Grandville base wage of \$69,135.00, rank 4 with Holland's \$71,190.00, rank 3, results in Grandville base wage rate being \$2,005.00 less the Holland's the low wage rate disparity difference. However, if the Employer's 12% wage differential were to be accepted, the base wage disparity would be greater. Grandville's Sergeants base rate would \$68,221.00 the base rate of Walker, Kentwood, and Holland would remain the same. Comparing Grandville's \$68,224.00 base wage rate with Walker's \$73,458.00 the resulting wage disparity would be Grandville's base wage would be \$5,237.00 less this being the greatest disparity. Comparing Grandville fourth (4th) rank \$68,221.00 with Kentwood's \$71,190.00 rank third (3rd) the resulting wage disparity would be \$2,969.00 less the smallest disparity. Union Exhibit 7, pg. 6.

Comparing the economic compensation, Grandville's 25 year Sergeant on the date of the award, Grandville's ranking with the Union's 13.5% differential with the Employer's 12% wage differential would be the same fifth (5th) ranking. However, comparing the economic compensation Union's Exhibit 7, pg 11, the following is revealed if the Employer's 12%, or the Union's 13.5% wage differential is accepted Grandville Sergeants would be at \$70,535.00, and if the Employer's 12% wage differential proposal were accepted Grandville's sergeants would be \$69,621.00. The economic compensation ranking would be Norton Shores first (1st) at \$75,365.00, Walker second (2nd) at \$74,358.00, Kentwood third (3rd) at \$72,690.00, and Holland fourth (4th) at \$71,349.00. However, if the Employer's 12% wage differential is adopted the wage disparity would be from a low of \$71,349.00 Holland fourth (4th) ranked, \$69,621 Grandville, fifth (5th) ranked, the resulting disparity would be Grandville's Sergeants would be receiving \$1,728.00 less than Holland. The greatest disparity would be Norton Shores, ranked first (1st) at \$75,365.00 Grandville's \$69,621.00 the resulting disparity would be Grandville's Sergeants would be receiving \$5,744.00 less than Norton Shores. However if the Union's 13.5% sergeant's wage differential is adopted Grandville's Sergeant's economic compensation of a 25 year sergeant would be \$70,535.00 and the other four (4) comparables would remain the same with Norton Shores ranked one (1) at \$75,365.00 and Holland ranked fourth (4th) with \$71,349.00 and Grandville ranked fifth (5th) at \$70,535.00, the resulting disparity would be Grandville's Sergeants would be receiving \$814.00 less than Holland. The greatest disparity would be Norton Shores, ranked first (1st) at \$75,365 and Grandville ranked fifth (5th) at \$70,535.00 the resulting disparity would be Grandville's Sergeants would be receiving \$4,830.00 less than Norton Shores.

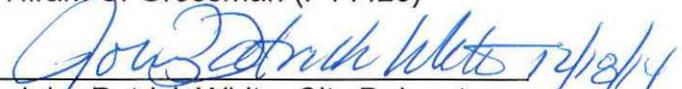
Significantly Grandville's sergeants dropped a rank to fifth (5th) in rank and the wage disparity has become more pronounced. Taking into consideration the following factors, Grandville's unreserved and undesignated fund balance of 24% as of 6-30-2013, Grandville has not alleged an inability to pay and additional duties and responsibilities have been assigned to the five (5) sergeants since its last contract; thus a majority of the Act 312 Panel adopts the Union's wage differential proposal of 13.5% greater than the top step in the Rank and File Police Officer's Contract for the year 2014, commencing with first pay period after the execution of the 312 Arbitration Panel's

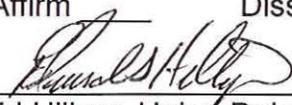
Opinion and Award issues or as soon thereafter as it can be implemented. In arriving at its decision, the Panel has taken into consideration the applicability of each of Sections 9(1) of the Compulsory Arbitration Act as amended factors. Additionally, the Panel gave the most significance to the financial ability to pay and the external comparables relied upon by both parties, and have concluded the Panel's determination is support by competent material and substantial evidence on the record as a whole.

Thus, this is why the Panel is persuaded the external comparability consideration is the most important factor and why the Union's last best offer of the 13.5% wage differential between the sergeant's base salary rate above the Rank and File highest step rate of the Rank and File Patrolman's contract has been adopted by a majority of the Act 312 Panel and thus will so be the Panel's Award..

Dated: 12/22/2014


Hiram S. Grossman (P14425)


John Patrick White, City Delegate
Affirm _____ Dissent


Ed Hillyer, Union Delegate
Affirm Dissent _____

Year 2015

As with the 2015 wage differential, Opinion and Award the sergeant's unit wage compensation is inextricable connected to the Rank and File Officer's Opinion and Award of the Rank and File Officer's Act 312 Arbitration Panel. The Rank and File Officers Act 312 Arbitration Panel awarded a 2.25% wage increase to the Rank and File Officers for the 2015 year. Since the sergeant's contract provides for a wage differential of a certain percent, currently 12%, above the highest step rate in the Rank and File Officer's Contract, the 2.25% wage increase awarded to Rank and File Officer's by the Act 312 Arbitration Panel for the Rank and File Officer's Unit automatically inures to the sergeant's unit through the contract language in the Sergeant's contract. Thus, the Act 312 Sergeant's Unit Arbitration Panel recognizes the 2.25% increase as included as part of the Sergeant's Unit Wage Compensation Package and so awards it to the Sergeant's Unit.

The remaining matter involves the wage differential between the top step in the Rank and File Officer's Contract and the salary of the Sergeant's Unit. The Employer's last best offer is 12% over the top step in the Rank and File Officer's Contract; this is the current differential. The POLC's last best offer is 13.5% greater than the top step in the Rank and File Officer's Contract. The Union's Exhibit 7, pg. 6, shows the status of the five (5) comparable communities. Norton Shores sergeant's contract expires 6-30-2015, Grandville's sergeants are ranked fourth (4th). The highest paid comparable is Walker, paid \$74,192.00, Grandville pay with the Union's 13.5% differential would be \$70,690.00, creating a differential of \$3,562.00 less. The third (3rd) ranked comparable Holland will be paid \$72,258.00, and with the Union's 13.5% differential results in \$1,565.00 less in economic compensation. Union's Exhibit 7, pg. 6. The economic compensation of a 25 year sergeant, Union Exhibit 7, pg. 12, is the highest differential. Walker is at \$75,090.00 and ranked first (1st), Grandville ranked fourth (4th) is \$72,090.00 creating a differential of \$3,000.00 less. The lowest differential \$72,776.00 rank 3rd Holland and Grandville ranked 4th \$72,090.00 creates a differential of \$686.00 less. Comparing the first (1st) and third (3rd) rank against the Employer's 12% differential, first (1st) Walker \$75,090.00 to \$71,156.00, Employer's differential of 12% results in differential of \$3,934.00 less. Comparing the third (3rd) rank, Holland at \$72,776.00 against fourth (4th) rank, Grandville at \$71,156.00 creates a differential of \$1,620 less. Comparing the average of the remaining comparables at \$72,197 with the Employer's 12% differential of Grandville ranked fourth (4th) at \$71,156.00 results in a differential of \$1,041.00 less. Comparing it with the Union's 13.5% differential of \$72,090 the average of all comparables to Grandville's \$71,156.00 results in a differential of \$107 less for Grandville. Union's Exhibit 7, pg. 12.

The most important Section 9 factors for 2015 are the external comparability and external total compensation. The Panel's prior comments regarding the year 2014 total compensation are equally applicable here as well as the Panel's comments regarding external comparability. Only Norton Shores is not a comparable for 2015, as its sergeant's contract expires 6-30-2015. The Union's argument Grandville is behind three (3) of the comparables is persuasive. Considering there is only one (1) comparable making less than Grandville's sergeants, and Norton Shores' sergeant contract expires 6-30-2015. The salary and economic compensation difference

between comparables ranked 1 through 3 is significant enough when you compare it to the Union's 13.5% larger differential and it is even larger when it is compared against the Employer's 12% current differential. Union Exhibit 7, pg. 6 and 12. The arbitration Panel maintains the wage disparity between the comparables ranked one (1) through three (3) and Grandville exists when comparing it to both the Union's 13.5% differential and the Employer's 12% differential. Assuming Norton Shores sergeant's will wind up with some salary and compensation increases for the fiscal year beginning July 1, 2015, the salary differential will continue to exist and will probably remain at least as great, if not greater, than currently shown in Union's Exhibit 7, pgs. 6 and 12.

For all of the reasons stated, a majority of the Panel concludes the Union's 2015 offer more closely conforms to the Section 9 factors of external comparability and economic compensation for the fiscal year 2015 and adopts the Union's differential of 13.5% greater than the top step the Rank and File Officer's scale and thus will be so awarded by a majority of the sergeants Act 312 Panel.

Dated: 12/23/2014

Hiram S. Grossman
Hiram S. Grossman (P14425)

John Patrick White 12/18/14
John Patrick White, City Delegate
Affirm _____ Dissent

Ed Hillyer 12/18/14
Ed Hillyer, Union Delegate
Affirm Dissent _____

Year 2016

As with the 2016 wage differential, Opinion and Award the sergeant's unit wage compensation is inextricable connected to the Rank and File Officer's opinion and award of the Rank and File Officer's Act 312 Arbitration Panel. The Rank and File Officers Act 312 Arbitration Panel awarded a 2.75% wage increase to the Rank and File Officers for the 2016 year. Since the sergeant's contract provides for a wage differential of a certain percent, currently 12%, above the highest step rate in the Rank and File Officer's Contract, the 2.75% wage increase awarded to Rank and File Officer's by the Act 312 Arbitration Panel for the Rank and File Officer's Unit for 2016 automatically inures to the sergeant's unit through the language in the Sergeant's contract. Thus, the

Act 312 Sergeant's Unit Arbitration Panel recognizes the 2.75% increase as included as part of the Sergeant's Unit Wage Compensation Package and so awards it to the Sergeant's Unit.

There is neither internal comparables and the only external comparable is Kentwood at \$73,703.00. The other four (4) comparable sergeant units contract have expired, three (3) on 6-30-2016, and one (1) one 6-30-2015. Union's Exhibit 7, Pg. 6. Comparing economic compensation, there is only one (1) comparable, Kentwood with a total compensation of \$75,203.00, Union's Exhibit 7, pg. 13. Kentwood is ranked as the third (3rd) comparable in base wage history just above Grandville. Union's Exhibit 7, Para. 6. Comparing the Employer's 12% current differential between the Rank and File Officer's top step and the sergeant's would result in the following differential Kentwood \$73,703.00 base salary with Grandville \$71,674.00, being \$2,029.00 less. Comparing Kentwood base salary \$73,703.00 with Grandville's \$72,634.00 base salary with the Union's 13.5% larger differential creates a differential being \$1,029.00 less. Union's Exhibit 7, pg. 6. Comparing the economic compensation you obtain the following results; Kentwood's total compensation package of \$75,203.00, with Grandville's economic compensation with the Employer's 12% current differential of \$73,074.00, and results in a compensation differential of \$2,129.00 less. Comparing it with the Union's 13.5% larger differential between the Sergeant's and the Rank and File's top step rate of \$74,034.00 results in a differential being \$1,169.00 less than Kentwood. Unions Exhibit 7, pg. 13.

Thus, the factors of external base compensation difference between Kentwood, the sole comparable and the Economic Compensation package of a 25 year sergeant, the comparison of both favor Kentwood. The usage of the Union's 13.5% larger differential rather than the Employer's 12% current differential reduces the disparity. Kentwood's compensation for the fiscal year 2016, is \$75,203.00. Grandville's compensation package with the Union's 13.5% differential is \$74,034.00 and with the Employer's 12% current differential is \$73,074.00. Union's Exhibit 7, page 13. The resulting disparity would be \$2,129.00, less than Kentwood's under the Employer's 12% current differential and \$1,169.00 less under the Union's 13.5% differential. Assuming the other comparables Holland, Norton Shores, Traverse City, and Walker's Contracts

with their sergeants units result in contracts providing for increases in their sergeants base contract rate and economic compensation rates for the fiscal year beginning July 1, 2016, the salary and the economic compensation difference will continue to exist and will probably remain a significant difference between the comparables and Grandville.

For all of the reasons stated, the majority of the Panel conclude the Union's 2016 13.5% larger wage differential between the Sergeant Unit's Contract and the top step of the Rank and File Patrol Officer's Contract more closely comports to the Section 9 factors of external comparability and economic compensation for the fiscal year of 2016. The Sergeant's Arbitration Panel acknowledges the internal comparable considerations of Grandville's other employee groups do not enter into the picture as there are no comparable figures to compare. A majority of the Sergeants Act 312 Arbitration Panel adopt for the fiscal year beginning July 1, 2016, the Union's differential of 13.5% of the top step of the Rank and File Patrol Officer Contract, and thus, the Union's differential of 13.5% of the top pay step in the Rank and File Contract be and so is awarded.

Dated: 12.22.2014


 Hiram S. Grossman (P14425)

 12/8/14
 John Patrick White, City Delegate
 Affirm _____ Dissent

 12/18/14
 Ed Hillyer, Union Delegate
 Affirm Dissent _____

SUMMARY OF AWARDS

1. Shift Transfers. The parties stipulated to accept the opinion and award of the Rank and File Patrol Officers, Act 312 Panel. Their Opinion and Award accepted the Employer's position of no change to the current contract's language, rather than the proposed language change of the POLC. Thus, it is so ordered and awarded. The language is to remain as previously stated in the Sergeant's collective bargaining agreement.

2. Wage Differential between the top step in the Rank and File Police Officers Contract. The Employer's position it should remain 12% greater than the top step of the Rank & File Police Officers' Contract as it currently is for the three (3) year duration of the new contract beginning when the Sergeant's Act 312 Panel's award issues through the remaining three (3) years of the contract, expiring June 30, 2017, and the Union's differential of 13.5% greater than the top step of the Rank and File Contract. A majority of the Sergeant's Arbitration Panel has awarded the Union's 13.5% greater wage differential in the Sergeant's Contract to be applied to the top step in the Rank and File Police Officer's Contract. The implementation of the 2014 Sergeant's Contract on this wage provision shall be in conformity to PERA implementation of wages agreed upon after expiration of the existing contract. The past practice of the parties shall be the guide when the 2015 and 2016 fiscal years contracts governing when those base wage increases and 13.5% differential is to be implemented.