

IN THE MATTER OF THE ARBITRATION BETWEEN

ABERDEEN POLICE OFFICERS	)	
GUILD,	)	
	)	ARBITRATOR'S OPINION
UNION,	)	AND AWARD
	)	
and	)	
	)	INTEREST ARBITRATION
CITY OF ABERDEEN,	)	
	)	PERC CASE NO. 26599-I-14-0648
EMPLOYER.)	)	PERC CASE NO. 26334-M-14-7840
_____	)	

BEFORE: JOSEPH W. DUFFY  
ARBITRATOR  
PO BOX 12217  
SEATTLE, WA 98102

REPRESENTING  
THE UNION: SYDNEY D. VINNEDGE  
EMMAL, SKALBANIA & VINNEDGE  
3600 15<sup>TH</sup> AVE. W., SUITE 201  
SEATTLE, WA 98119-1330

REPRESENTING  
THE EMPLOYER: BRUCE L. SCHROEDER  
SUMMIT LAW GROUP  
315 FIFTH AVE. S., SUITE 1000  
SEATTLE, WA 98104

HEARING HELD: AUGUST 20, 2015  
ABERDEEN, WA

## OPINION

### Introduction

The Aberdeen Police Officers Guild (“Guild”) and the City of Aberdeen (“City”) selected me to serve as sole arbitrator in this interest arbitration, which is conducted pursuant to Chapter 41.56 of the Revised Code of Washington. The hearing in this matter took place in Aberdeen, WA on August 20, 2015.

At the hearing, the Guild and the City (“Parties”), agreed that the statutory requirements for bringing this matter to interest arbitration have been satisfied, with an exception. The City has filed an unfair labor practice charge with the Public Employment Relations Commission (“PERC”) contending that two of the Guild’s proposals concerning specialty pay are beyond the scope of the certified issues. (TR5:12-TR6:14; CA10) The City’s post-hearing brief noted that PERC suspended the two issues from consideration in interest arbitration until the unfair labor practice is decided. (PERC No. 26599-I-15 and 127544-U-15) The City’s brief also states that in the event that PERC rules in the Guild’s favor, supplemental briefing will be submitted. Based on those representations, I have placed the two issues on hold until PERC issues a ruling.

At the hearing, witnesses testified under oath and were subject to cross-examination by the opposing Party. The Parties also submitted documentary evidence into the record. A court reporter transcribed the hearing and made copies of the transcript available to the Parties and to me.

The Parties submitted post-hearing briefs electronically to me and to each other on October 26, 2015. The Parties agreed to waive the statutory thirty day time limit for submission of this award.

### Applicable Statutory Provisions

When certain public employers and their uniformed personnel have been unable to reach agreement on a new contract in collective bargaining and mediation, RCW 41.56.450 provides for interest arbitration to resolve their dispute. Interest arbitrators must remain mindful that interest arbitration is an extension of the collective bargaining process. The goal in interest arbitration is to approximate the agreement that the Parties would have reached had they continued to bargain in good faith.

RCW 41.56.465 sets forth certain criteria that interest arbitrators shall consider:

(1) In making its determination, the panel shall be mindful of the legislative purpose enumerated in RCW 41.56.430<sup>1</sup> and, as additional standards or guidelines to aid in reaching a decision, the panel shall consider:

(a) The constitutional and statutory authority of the employer;

(b) Stipulations of the parties;

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

(d) Changes in any of the circumstances under (a) through (c) of this subsection during the pendency of the proceedings; and

(e) Such other factors, not confined to the factors under (a) through (d) of this subsection, that are normally or traditionally taken into consideration in the determination of wages, hours, and conditions of employment....

(2) For employees listed in RCW 41.56.030(7<sup>2</sup>) (a) through (d), the panel shall also consider a comparison of wages, hours, and conditions of employment of personnel involved in the proceedings with the wages, hours, and conditions of employment of like personnel of like employers of similar size on the west coast of the United States.

The statute does not provide guidance on how much weight to give to any of the standards and guidelines, but instead leaves that determination to the reasonable discretion of the arbitrator.

#### Nature of the Employer

The City of Aberdeen is a first class charter city located in Grays Harbor County at the southern end of the Olympic Peninsula. The City is the largest city in the County with a population of approximately 17,000. The Aberdeen Police Department has 37 sworn officers and 15 non-sworn staff members. The Guild bargaining unit includes 31 officers.

---

<sup>1</sup> RCW 41.56.430 reads: "The intent and purpose of Chapter 131, Laws of 1973 is to recognize that there exists a public policy in the state of Washington against strikes by uniformed personnel as a means of settling their labor disputes; that the uninterrupted and dedicated service of these classes of employees is vital to the welfare and public safety of the state of Washington; that to promote such dedicated and uninterrupted public service there should exist an effective and adequate alternative means of settling disputes."

<sup>2</sup> This section has been renumbered in the statute as RCW41.56.030(13)

The Parties have had a collective bargaining relationship for over fifteen years. The Parties' current collective bargaining agreement ran from January 1, 2011 through December 31, 2013.

#### Certified Issues

On July 15, 2014, the Executive Director of PERC certified for interest arbitration the following issues that were at impasse following mediation. As noted below, certain of the issues were withdrawn by the Parties prior to arbitration.

1. Article 2

Conditions of Employment (withdrawn)

2. Article 6

Donation of Sick Time

Definition of Sick Leave (withdrawn)

Sick Leave Conversion (withdrawn)

3. Article 7

Health Care Premium Sharing

Addition of HDHP & HSA contributions

Addition of HRA

4. Article 11

Hours of Work (withdrawn)

Overtime/Comp Time/Training/Operation Days (withdrawn)

12-hour rule defined (withdrawn)

Shift bidding (withdrawn)

Specialty pay

Addition of Respiratory Administrator Specialty

Elimination of Open Range Comp Time (withdrawn)

Scheduling of Comp Time (withdrawn)

Detective premium pay

Compensatory time accrual (withdrawn)

5. Article 12

Elimination of Training Fund (withdrawn)

6. Article 13
  - Holiday sell-back
7. Article 15
  - Additional Vacation Step
  - Deferred Comp Program/Vacation hour exchange sale (withdrawn)
8. Article 17
  - Guild representation for officer hiring process (withdrawn)
9. Article 18
  - Clothing Allowance
  - Guild pre-approved uniform changes (withdrawn)
  - Uniform maintenance by Officers (withdrawn)
10. Article 19
  - Wages
  - Corporal Pay
  - Deferred Compensation
  - Longevity
11. Article 26
  - F.A.T. test (withdrawn) (CA4, CA5)

Comparable Employers

At the hearing, the Parties stipulated that the following are comparable employers:

- Battle Ground
- Centralia
- Enumclaw
- Hoquiam
- Kelso
- Lynden
- Monroe
- Mountlake Terrace
- Port Angeles
- Shelton (TR24:19-TR25:2; CB1)

### Cost of Living

RCW 41.56.465 1(c) provides that an interest arbitrator shall consider the average consumer prices for goods and services, commonly known as the cost of living. RCW 41.56.465 1(d) requires consideration of changes in the cost of living during the pendency of the proceedings.

The U.S. Department of Labor CPI-U for Seattle/Tacoma/Bremerton reported the change in the index from June 2014 to June 2015 as 1.6%. (C26.3.1) The same CPI-U for August 2014 to August 2015 showed an increase of 1.8%.

### Other Factors

RCW41.56.465 (1)(e) provides for the consideration of: “Such other factors...that are normally or traditionally taken into consideration in the determination of wages, hours, and conditions of employment....”

“Ability to Pay” – The term “ability to pay” often appears in interest arbitration decisions, but those references have also been criticized because some consider the term inaccurate and others point out that RCW41.56.465 does not include ability to pay as a specific criterion for consideration in a law enforcement interest arbitration. Arbitrators, however, typically consider ability to pay as one of the other factors described in RCW 41.56.465 (1)(e).

Arbitrator Axon wrote the following concerning ability to pay:

The standard “is not whether the Employer has the complete inability to fund the Union’s proposal. The standard is one of fiscal constraints that limit the ability of an employer to pay the proposed wage increase.” (*ATU 587 v. King County* (2006))

Arbitrator Lankford observed:

*“Financial responsibility”* might be a better term for this traditional factor. The basic economic argument offered by public sector employers in interest arbitration cases amounts to a claim that the union’s proposed allocation of the employer’s financial resources would be irresponsible, i.e., that funding the union’s proposal would deprive the employer of its ability to fund its other statutory responsibilities at a responsible level or would leave the employer in a fiscally irresponsible condition either immediately or in the future. That consideration too, is a factor normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment. (*Clark County Deputy Sheriffs* (2012))

In the testimony and in the brief, the City focused on the distressed economic condition that has been a reality for the Grays Harbor region for some time. Recent years have been characterized by the loss of family wage jobs and, to the extent those jobs have been replaced, the replacements tend to be lower-paying service positions. The unemployment rate in the County is the third highest among the thirty-nine counties in the State. From 2001 to the present, the City's general fund revenues are down approximately eighteen percent. The full-time equivalent City workforce has been reduced by approximately twelve percent. Assessed valuations have declined, thus reducing property tax income. Although some big projects have occurred in the area, such as the construction of pontoons for the 520 bridge, those projects were one-time events that have ended. The City contends that the current trend of decreasing sales tax and B&O tax will lead to the depletion of the City's reserves within a couple of years. The City projects that general fund expenditures will exceed revenues through 2018. (C1)

The Guild contends that the growth of the City's general fund from 2013 through 2015, along with an increase in tax rates and business development run counter to the City's arguments about ability to pay. (G22)

The Guild offered testimony to show that conditions have improved, but the signs of improvement identified are limited. (TR151:17-TR152:20; TR155:9-TR157:25; G22) A document produced by Greater Grays Harbor Inc. tries to strike an optimistic note, but other sources acknowledge that Grays Harbor County consistently has the highest unemployment rate in Western Washington and average annual and hourly wages in Grays Harbor County fall well below the State average. (G22, C26.6.1) The City offered testimony and exhibits that show that economic recovery since 2008 has been limited, and the financial picture for the City remains bleak. (Skolrood Testimony TR167-TR197; C1) Based on the record, the City faces significant fiscal challenges ahead, which will place a substantial burden on the City's ability to provide service to the public.

Recruitment and retention – An exhibit in the record shows that from 2013 through June 2015, the City had 26 applicants for lateral hire positions in the Police Department, and the City hired one person as a lateral hire. In the same period, the City had 107 applicants for entry level officer positions and the City hired three. Therefore, in this period, the City received a total of 133 applications and hired four officers. (C26.7.1)

From 2006 to the present, four officers left the Department voluntarily for reasons other than retirement. One officer left to become a stay at home parent, two left for other jurisdictions to be closer to family and one left to take a job with Montesano Police Department. (C26.7.2) Chief Torgerson testified that the pay level at Montesano is lower than Aberdeen's. (TR220:19-TR221:7)

The employee roster in the record shows that the average years of service among the thirty-one officers in the Department is 13.2 years. Fourteen of the thirty-one officers have fifteen or more years of service, which is 45% of the members. (CA9)

From this record, the City does not appear to have a problem with recruitment or retention.

Internal Comparability – Arbitrator Lankford made the following observation about internal comparability:

*Internal comparability* is not traditionally restricted to other units with access to interest arbitration. Unions representing interest arbitrable employees sometimes propose an analytical wall separating those employees with interest arbitration from those without. It is certainly appropriate to recognize the inherent difference in the bargaining dynamics of those two sorts of units; but internal comparability, even across that dividing line, is a significant and sometimes compelling factor in wage determinations. (*Clark County Deputy Sheriffs* (2012))

The City provided testimony to show that other bargaining units and the non-represented City employees received no cost of living increase in 2014. The record includes an exhibit that shows that the Guild has received a 33.10 percent increase in wages from 2004 through 2016 (assuming the 2% increases proposed by the City in 2015 and 2016 and no increase in 2014). That rate of increase places this bargaining unit slightly ahead of all other City employee groups. (C26.4; TR217:9-16)

The record shows that concerning health care premiums, the other groups in the City with the exception of this unit and the firefighters are subject to a cost sharing formula if premiums increase. Currently, the other groups, with the exception of the firefighters, pay a higher effective percentage for health care premiums than this unit does. (C5.3)

Internal equity is discussed further below.



### Burden of Proof

The Party proposing new contract language has the burden to prove that justification exists for a change in the status quo. As Arbitrator Levak wrote in *Mason County* (Levak (2004)):

A party espousing a new provision or proposing a change, modification or deletion, has the burden of persuasion; that is, it carries the burden of proving that its position is supported by the weight of the evidence and by the most reasonable arguments.

Other arbitrators have characterized interest arbitration as a conservative process. As Arbitrator Snow observed:

Interest arbitration is not typically a place of innovation. The presumption is that a party in interest arbitration who seeks a change needs to carry the burden of proving a substantial need for the change. (*Spokane Transit Authority*, at 42 (Snow, 2001))

### The Issues in Dispute

#### Article 6 – Donation of Sick Time

The Guild’s proposal reads as follows: “Employees in the bargaining unit may donate sick time to a member with a serious illness with less than 100 hours of sick leave.”

The Guild argues that this proposal will not increase the City’s financial burden. The record shows that four of the ten comparable jurisdictions allow sick leave donation. The Guild offered to work with the City to establish guidelines for a sick leave donation policy. The Guild believes that being able to assist an officer with a serious medical condition would foster unit cohesion and esprit de corps among the officers.

The City argues that Guild members receive excellent health and disability coverage. The City argues that the officers receive disability insurance through the Washington Council of Police and Sheriffs, for which the City pays 80% of the premium. The City also provides up to six months of supplemental disability leave in addition to workers’ compensation benefits.

Currently, only twenty-five percent of accrued sick leave can be cashed out on termination. The City has concerns that making sick leave donation available would “undermine the donative aspect of the transaction” that comes from donating a benefit that is fully cashed out on termination. The City contends that the City’s cost would be increased by, in effect, creating another form of sick leave cash-out through donating sick leave and retaining accrued vacation

that would otherwise have been donated. The City also contends that the sick leave sharing proposal would lead to issues with federal income tax. (C2.2)

Cases of major illness are tragic when they occur, but they also are relatively rare. The testimony shows that one member of the Department passed away after a battle with cancer. The testimony also mentioned two other employees of the City, who worked on the clerical staff and who also passed away from cancer. The testimony did not reveal whether any of those individuals exhausted their accrued leave or the leave donated to them under the current City vacation donation policy. (TR230:8-TR233:2)

In my judgment, the Guild has not met the burden to prove that a change is needed. Therefore, I am awarding the status quo on this issue.

Article 7 - Health care premium sharing

The fact that health care costs and health care insurance premiums have increased nationally at a rate substantially greater than the general inflation rate is well known. The experience the City has had with health insurance premiums is consistent with that type of substantial cost growth. (C5.4; TR60:4-TR63:19)

The City currently provides health insurance through the Association of Washington Cities (“AWC”). Guild members are enrolled in AWC’s HealthFirst PPO. For 2014, the City paid a fixed dollar amount toward the monthly cost of premiums. The City’s contribution equals 100% of employee coverage and 88% of spouse/dependent coverage. When the thirty-one Guild members are looked at as a group, the group pays 7% of the entire medical premium bill. (TR33:20-TR34:9) Among the various employee groups employed by the City, the Guild members, at 7%, pay the lowest percentage of total premium. (C5.3)

The record shows that the premium for full family coverage in 2008 was \$16,834 and the estimated premium for 2016 is \$25,149, for an increase of approximately 50%. Sixteen of thirty-one Guild members receive full family coverage. (TR33:1-18; C5.4, C5.5)

The City proposes to address the issue of rising health care premiums by a new cost-sharing arrangement. The City proposes to pay the first 3% of any annual increase. If premiums increase more than 3%, Guild members will pay the second 3% of any annual premium increase. Any increase beyond 6% will be shared 50/50 between Guild members and the City. The City also proposes that a cap will be established so that Guild members will not pay more than 15% of the total cost of coverage. (TR35:8-16)

For example, under the proposed cost sharing arrangement, a future 10% increase in premiums would result in a 5% employee contribution increase. (3% paid by the City; 3% paid by the employee and then each would pay half of the remaining 4%) (TR47:18-TR48:4)

The City points out that the proposed cost sharing arrangement is the same arrangement that applies to City department heads, non-represented employees and AFSCME-represented employees, with the exception that the other groups do not have the protection of the proposed 15% cap. IAFF Local 2639 members employed by the City do not have the proposed cost-sharing formula, but they moved to a High Deductible Health Plan (“HDHP”) with a Healthcare Savings Account (“HSA”). The premiums associated with the HDHP with HSA are lower and so cost-savings have been achieved without introducing the cost-sharing formula proposed here. The HDHP with HSA arrangement for the firefighters resulted in a savings of \$45,000 per year for active employees and \$78,000 per year for retirees. (TR35:17-TR36:8)

The City also proposes that Guild members provide retroactive reimbursement for 2015 premiums. The AWC 2015 premium increased 5% applied uniformly over all coverage options. The proposed reimbursement Guild members would pay would be \$13.05 per month for single coverage and \$48.07 per month for full family. (The cost to the employee of single coverage would go from \$0 to \$13.05 per month and the cost of full family would go from \$157.32 to \$205.39 under the City’s cost sharing proposal) (C5.5) The City proposes that the retroactive reimbursement for the 2015 premiums would be deducted from retroactive pay increases, rather than paid out of pocket. (TR54:13-TR56:19)

The City has calculated that the savings to the City produced by the proposed cost sharing arrangement will be \$11,077.48 for 2015 and \$19,275.24 for 2016, for a total savings of \$30,352.72 over the two years. (TR50:11-TR53:19; C5.8)

The Guild proposes the status quo on this issue. The Guild argues that an analysis of the comparables supports its position. (G4) The Guild contends that cost sharing will substantially increase the financial burden on the Guild members and the City has failed to meet the standard of proof required to show that a change is needed. (Guild Brief p. 12-25)

In terms of internal equity within the City workforce, the Guild is currently the only group, other than the firefighters, that does not have the 3%/3%/50-50 cost sharing arrangement. (As noted above, the move by the firefighters to the HDHP with HSA resulted in significant premium cost savings for the City.) The cost sharing proposal for the Guild also has the added

feature of a 15% cap, which the other groups in the City do not have, with the exception of the Police Administrators Unit. (C5.3)

The statute does not identify internal equity as a criterion for an interest arbitrator to consider. Nevertheless, the reference in RCW 41.56.465 (1) (e) to such other factors that are normally or traditionally taken into consideration in the determination of wages, hours and working conditions is sufficiently broad to take in the subject of internal equity. Interest arbitrators have consistently considered internal equity, although often not giving it as much weight as the comparisons with other comparable jurisdictions.

Internal equity has importance because the perceived unfair advantages of one group of employees over others can create morale issues in the workforce. At the same time, however, the inherent risks involved in police work distinguish it from many other jobs in the City workforce.

The Guild points out that although other employee groups in the City have the premium cost sharing arrangement, the groups do not exhibit a consistent pattern of comparability. A comparison chart in the record shows that the cap on premium contribution increases is not consistent among the various groups and the effective percentage paid for health coverage is also not consistent. (C5.3) The City argues, however, that Washington interest arbitrators have frequently placed primary emphasis on internal rather than external comparisons when comparing health insurance benefits. Although some arbitrators have taken that approach, others have taken the approach, relying on the statutory mandate in RCW 41.56.465(2) to consider conditions of “like personnel of like employers” in law enforcement interest arbitration, that internal equity is important but not determinative.

As both Parties point out, comparing health plans across different employers is a difficult task. (TR66:11-TR67:20) Without an in-depth look at the coverage provided, the deductibles, the co-pays and other similar features of the plans, a valid comparison is almost impossible to make. Comparing premium contribution levels alone does not produce a full and accurate comparison. (TR68:10-TR69:5) In addition, different bargaining histories are a factor. Obtaining an understanding of what was given up and what was achieved over time in collective bargaining that occurred in other jurisdictions would be difficult if not impossible. The City also argues that some of the comparable jurisdictions offer second tier, lower cost plans and so their need to reduce costs through employee contributions is lower.

Of the ten comparables, six currently pay 100% of the employee contribution. Shelton, however, pays a fixed dollar amount and if premiums exceed that amount then the employee is responsible for the excess amount. (Shelton contract, p. 11) Of the four comparables that do not pay 100% of employee coverage, the range of the employer's contribution is from 89% to 95%. Although Centralia, Kelso and Mountlake Terrace do not pay 100% of employee only coverage, they pay a higher contribution for dependent coverage than the City currently pays. As the Guild's exhibit shows, the mean employer contribution for employee only coverage by the ten comparables is 97% and the mean employee contribution for employee only coverage is 3%. (G4)

Of the ten comparables, four currently pay 100% of the dependent coverage (Hoquiam, Lynden, Shelton and Monroe). Hoquiam, however, has a cost sharing formula that applies if the premium increase exceeds 8%. The formula is structured similarly to the City's proposal except that it has a higher threshold and contribution rate for employee contributions (8%/8%/50-50). (Hoquiam contract, p. 8) Shelton pays a fixed dollar amount, and employees are responsible for the excess if premiums increase above the fixed amount. (Shelton contract, p. 11) The Guild's exhibit shows that the mean for full family coverage is 95% employer contribution and 5% employee contribution.

What the comparison to the ten other jurisdictions shows is that the City's proposal for a 3% employee contribution for employee only coverage is consistent with the mean contribution level among the ten comparables. For full family coverage, however, the City, at 88% and 12%, is below the mean for the ten comparables of 95% and 5%. (G4)

After reviewing the evidence, I find that the City has not met its burden to prove that an immediate change in the employee health insurance premium contribution level is warranted. Consequently, I have adopted the status quo.

Health insurance cost issues are not likely to go away in the future and will continue to be a matter of critical importance to both Parties in future negotiations. In the next negotiation changes will be necessary because of two upcoming events. The Cadillac Tax provision that takes effect in 2018 under the Affordable Care Act will create significant tax issues if the level of healthcare premium cost continues to grow. (TR40:5-17; C7.5) In addition, the Association of Washington Cities plans to terminate the HealthFirst plan on December 31, 2017 and the plan will likely be replaced by plans with fewer benefits than the current plan. (TR43:3-TR44:16) In

the next round of negotiations, the Parties will have significant challenges in dealing with those issues. Cost sharing will no doubt be a focus in those negotiations as well.

Article 7 - HDHP with HSA

The City proposes to introduce a HDHP with an HSA. An HDHP provides for lower premium costs while shifting cost to employees through higher deductibles. The City proposes to include the same premium cost sharing formula for this plan as it proposed for the AWC Healthfirst PPO (3%/3%/50-50). (C6.1)

The City proposes to match monthly employee contributions to an HSA dollar for dollar in the first year, followed by a proportionally larger City contribution in future years. The proposal for HSA contributions is as follows:

Single coverage

First year on plan:	Employee=\$100, Employer=\$100
Second consecutive year on plan:	Employee=\$75, Employer=\$125
Third consecutive year on plan:	Employee=\$50, Employer=\$200

Family coverage

First year on plan:	Employee=\$200, Employer=\$200
Second consecutive year on plan:	Employee=\$150, Employer=\$300
Third consecutive year on plan:	Employee=\$100, Employer=\$400

The City believes the HSA contributions give employees an incentive to remain on the HDHP and to build up HSA balances that can grow over time. The HSA account balance belongs to the employee and is portable, should the employee retire or otherwise leave City employment.

The City proposes that participation in the HDHP with an HSA be entirely voluntary for the employee.

The Guild’s position is as follows: “Guild would agree to adding the option of a ‘high deductible’ plan as an employee option provided no change to current plan coverages.” (G3)

Because the HDHP HSA benefit proposed by the City is strictly voluntary, I find that the City has met the burden to prove that the benefit will aid in the control of health care costs and provide a significant benefit to employees who find this option attractive. Therefore, I have

adopted the City’s proposal, with the exception of the language at the end of the City’s proposal that terminates the contributions on December 5, 2016 unless an extension is negotiated. (C6.1)

Article 7 - Health Reimbursement Arrangement (Account) (“HRA”)

The Guild proposes to add an HRA as a benefit for Guild members. Testimony described the benefit as “an attempt to offset and maintain the level of medical coverage we currently hold.” (TR62:8-10) The Guild argues that an HRA will help to make up for losses that may follow from the AWC discontinuing the current medical plan and replacing it with a plan that has fewer benefits.

The City argues that it provided an HRA to the firefighters, but did that using a portion of the savings achieved by the firefighters’ move to an HDHP. The City opposes establishing an HRA for the Guild because no offset for the cost has been proposed. The City contends that the proposed HRA would increase the City’s liability under the Cadillac Tax provision of the Affordable Care Act.

The exhibit in the record shows that three comparable jurisdictions have introduced HRAs, but the HRAs are in conjunction with an HDHP. (C7.4) No similar move to an HDHP has been proposed by the Guild except on a strictly voluntary basis. Although the Guild described the benefits that accrue from an HRA, the cost to the City, without any offset, is difficult to justify during a time of ever-increasing medical insurance costs.

I find that the Guild has not met the burden to prove that an HRA should be established.

Article 11 - Specialty Pay as a Percentage of Base Pay

Currently, the City pays seven different specialty pay premiums. For some specialties, if an officer performs any specialty work in a month, the premium pay applies to the entire month, regardless of how many days in the month that the officer performs specialty work.

The Chief assigns officers to specialty assignments. When a specialty assignment is to be filled, the usual process is for interested officers to submit applications and the Chief awards the position. Specialty work generally involves additional training and additional responsibility. (TR75:16-TR76:6; TR119:19-21)

The current premiums are as follows:

Field Training Officer	-	\$100/month
SWAT/CRU Leader	_	\$100/month
Force Training Unit Range Master	-	\$100/month

Motorcycle	–	\$75/month
Canine Officer	-	Three OT hours per week
SWAT/CRU Officer	-	\$75/month
Hazardous Duty	-	\$100/month <sup>3</sup>

The Guild proposes that specialty pay, which now is paid as a fixed dollar amount, be converted to a percentage of the officer’s base wage rate. The Guild proposes a 2% rate for specialty pay. (TR74:7-8; TR79:16-19) The Guild argues that many of the comparables use the percentage payment method and, as a result, the Guild has fallen behind other jurisdictions in terms of specialty pay levels. By converting to a percentage, the value of the payment will be maintained and will not diminish over time, as it has under the fixed dollar arrangement. (TR81:2-16) The Guild also contends that the percentage approach will potentially reduce conflict in future bargaining on the issue.

The Guild’s proposal concerning the current specialty pay categories is as follows:

Field Training Officer	-	2% of base pay
SWAT/CRU Leader	–	2% of base pay
Force Training Unit Range Master	-	2% of base pay
Motorcycle	–	2% of base pay
Canine Officer	-	Three OT hours per week + 2% of base pay
SWAT/CRU Officer	-	2% of base pay
Maximum Premium for working in three or more specialties	-	6% of base pay

Testimony in the record indicated that \$100 is equal to approximately 1.6% of the top step patrol officer’s pay. (TR116:16-18)

The City proposes the status quo. The City contends that the 2% approach would significantly increase the current pay levels and continue to increase them as base pay increases. The City argues that the proposed increases would divert limited City resources from maintenance of essential core employment benefits and staffing levels. The City points out that the fixed dollar amounts of specialty pay have been increased over time in negotiations and the current levels are adequate. (TR116:4-TR117:2; C12.4)

---

<sup>3</sup> The Parties have agreed to eliminate this category. (TR72; TR86:12-20)  
Aberdeen Police Officers Guild  
and City of Aberdeen – Interest Arbitration



All of the comparables have some form of specialty pay. The City currently has six categories of specialty pay after hazardous duty pay is eliminated. The range of the number of specialty categories in the other jurisdictions is from 2 to 12. The average number is 5.

Nearly all specialty payments made by the comparables are paid on a percentage basis, ranging from 2% to 5.5% with many specialties paying at 3%.

The City objects to what it characterizes as “pyramiding” of specialty pay up to 6% because an officer can work in and be paid for more than one specialty. The record shows, however, that currently an officer can work in and be paid for more than one specialty.

The City also argues that pyramiding is prohibited at 4 of the 10 comparable jurisdictions. Of the 5 jurisdictions that allow payment for multiple specialties, 3 place limits on pyramiding of specialty pay.

In my judgment, the Guild has met the burden to prove that a change is needed. When compared with comparable jurisdictions, the fixed dollar amount approach is not followed anywhere else with a few limited exceptions. The fixed dollar amount has the effect of decreasing the relative value of the benefit as wage levels increase. Therefore, I am awarding the proposed change to 2% as the compensation rate for the six specialties listed above. In order to eliminate the administrative burden involved in making the conversion for past years, the change from a fixed dollar amount to a percentage will take effect on January 1, 2016.

On the subject of pyramiding, no limits currently exist on pyramiding under the Parties’ contract. I find that the City did not meet the burden to prove that a change is needed and I find the Guild’s 6% proposal to be reasonable.

#### Article 11 - Specialty Pay – Collision Review Team and Explorer Advisor

Both of these proposals are on hold pending the outcome of the unfair labor practice charge filed by the City. (CA10)

#### Article 11 - Specialty Pay – Air Respirator Administrator

The record shows that none of the comparables have a specialty pay category for Air Respirator Administrator. (G6; TR82:2-11; C13.3)

The Guild contends that OSHA requires that employers who have employees that are required to wear air purifying respirators must have a policy for administering the respirator use and for training in respirator use. In addition, employees have to complete health questionnaires

that are reviewed by a qualified physician. Therefore, the person responsible for the respirator program has a significant amount of responsibility. (TR77:12-TR78:15)

The City proposes the status quo, meaning no Air Respirator Administrator specialty pay.

Chief Torgerson testified that no one has currently been appointed to serve as Air Respirator Administrator. He testified that administering the respirator program has become essentially a clerical, record-keeping function. He testified that if expertise in respirator use is needed, the Department could turn to the City Fire Department for assistance. (TR119:1-TR121:2)

Based on the record, I find that the Guild has not met the burden to prove that Air Respirator Administrator specialty pay is needed.

#### Article 11 - Specialty Pay – Detectives

The Guild proposed that detectives receive specialty pay of 4% of base pay. (TR100:9-24)

Detective Weiss testified that the City has five detective positions currently. Two are general detectives, one works on sex crimes, one works on the drug taskforce and the fifth is a supervisor. He testified that detectives attend specialized training programs for investigators that investigate certain types of crimes, such as homicide. The detectives also receive training in obtaining warrants, and in other areas such as interviewing techniques.

Detective Weiss testified that City detectives work either a 4 x 10 schedule or a 5 x 8 schedule. He testified that regular working hours correspond roughly to regular business hours. He testified that when working a 4 x 10 schedule, the detectives ordinarily have Saturday and Sunday off, and then the third day off is either Friday or Monday. (TR102:1-11) Detectives generally have on-call duty for seven days at a time, but sometimes the on-call assignment lasts longer if other detectives are away on vacation. He testified that on-call time is not compensated unless the detective is called out. During on-call duty, a detective is expected to respond to a call-out within one hour. Detective Weiss testified he believes that specialty pay would help to compensate for the on-call time that is not compensated. (TR88-TR94)

Chief Torgerson testified that in response to a recent posting for a detective position, five officers applied. He testified that detectives receive specialized training in investigations, which the City provides and pays for. He testified that detectives have the opportunity to work on the major cases that the department handles. He testified that although detectives are often on call

and can be called in at any time, they also work a more stable regular work week, which usually includes week-ends off. Call-ins result in overtime pay for the detectives with a three hour minimum. In addition, detectives are eligible to take overtime work on their regular days off. (TR121:3-TR123:16)

In my judgment, the Guild has not met the burden to show that a change is needed. Detectives receive certain advantages that other officers do not receive such as specialized training provided by the City, a schedule of regular hours that does not include nights and week-ends except when the detective is called out and the opportunity to work on the major felony cases that the Department handles. Recruitment into the detective position has apparently not been adversely affected by the lack of incentive pay, based on the recent example cited by the Chief. I find that the Guild has not persuasively demonstrated the need for incentive pay for detectives.

#### Article 13 - Holiday Sell-back

Guild members receive eleven floating holidays each year and they are expected to use the holiday leave before the end of the year. The City, however, allows officers at the end of the year to trade any holidays left in an officer's holiday bank for vacation days that have already been taken that year. By this method, vacation days are preserved for future use and holidays are used rather than lost. (TR236:1-TR237:6)

The Guild contends that holiday sell-back at the end of the year will streamline the annual leave system, allow for greater flexibility for scheduling and likely reduce the overtime paid to officers covering for Guild members on leave. The Guild argues that if unused holiday leave can be cashed out, then the necessity of converting holiday leave into vacation leave will be eliminated and members will not lose leave time at the end of the year because of scheduling conflicts. The Guild contends this approach will reduce the amount of leave time taken off by Guild members, thus reducing the overtime needed to cover for the absent officers.

The City argues that only one Guild member in recent history has lost holiday hours because the officer did not have a sufficient number of accrued vacation days to substitute. (TR237:7-23) The City argues that the sell-back would be a significant increased cost for the City and the sell-back proposal is not justified by comparables or by any other persuasive evidence. (C19.4) No other City employee group has a sell-back right. (C19.3) The City

contends that if all the officers sold back eleven floating holidays, the cost to the City over the life of the contract would be \$283, 323.58. (C19.5)

Based on the evidence in the record, I find that the Guild has not met the burden to prove that the proposed change is needed. Therefore, I am awarding the status quo on this issue.

#### Article 15 - Additional Vacation Step

The current highest level vacation accrual rate is for the twenty year plus officers (241 months or more). At that level, an officer accrues twenty hours per month or two hundred forty hours per year.

The Guild proposes to add an additional vacation accrual step after twenty-five years of service (301 months or more). Two hours per month would be added to the accrual rate at 301 months of service.

The Guild argues that in comparison to the comparables, Aberdeen officers have a lower vacation accrual rate in the earlier years of their careers (the five and ten year steps). The Guild has not proposed to address the accrual rate at the earlier years, but instead proposes to give long-term officers a further incentive to remain employed.

The City argues that in the City workforce only the City firefighters accrue vacation faster than the Guild's present rate of 240 hours. (C20.3) In addition, the Guild and the non-represented employees have the highest accrual cap of any group in the city workforce at 720 hours. The City argues that the Guild proposal would raise that cap to 792 hours because the maximum accrual for Guild members is stated in terms of three years of accrual. (22 hours per month proposed x 36 months = 792) The City argues that the proposal would increase the City's unfunded liability for cashing out unused vacation at retirement or separation from employment.

Focusing on the maximum yearly vacation accrual, which is what this proposal addresses, only two of the ten comparables have a higher maximum accrual rate. The Guild has the highest accrual cap of all the comparables. (C20.4)

Based on the evidence, I find that the Guild has not met the burden to prove that a change is needed. Therefore, I am awarding the status quo on this issue.

#### Article 18 - Clothing Allowance

The Guild proposes to increase the clothing allowance from \$700 per year to \$850 per year. The City believes the current amount is more than sufficient.

Many of the comparable jurisdictions use a quartermaster system and do not provide officers with a cash allocation. Three of the comparable jurisdictions provide a clothing allowance. They are: Enumclaw at \$900; Kelso at \$775, and; Shelton at \$1,000. The Guild computed the average of the three comparables to be \$891.67.

The City has offered to go back to a quartermaster system, but the Guild had concerns about how the system was administered and therefore negotiated to have a clothing allowance paid directly to the officers. (TR228:5-9)

The evidence shows that of the jurisdictions that pay a clothing allowance, the City is the lowest. The increase in the clothing allowance that the Guild has proposed is below the average and below two of the other comparable jurisdictions. I find that the Guild's proposal for an \$850 clothing allowance is reasonable and consistent with the benefit provided in comparable jurisdictions that have a clothing allowance.

#### Article 19 – Wages

The Guild proposes that the salary schedule shall increase across the board by 2.75% for 2014, and then increase by 100% of the June to June Seattle/Tacoma/Bremerton CPI-U with a minimum 2% increase for 2015 and increase on the same basis in 2016. (G7) The City proposes no increase for 2014 and a 2% increase for both 2015 and 2016. (CA5, C26.1) The Parties remain in dispute primarily about 2014.

The City contends that internal parity should be a consideration regarding 2014. No group in the City workforce received a cost of living adjustment in 2014. The City argues that this bargaining unit has exceeded all other groups of City employees in general wage adjustments over the years. (C26.4) The City contends that when the total cost of compensation for this bargaining unit is compared to the stipulated comparable jurisdictions, this bargaining unit exceeds the average. In addition, the City argues that the bargaining unit has exceeded the rate of inflation as measured by the CPI over the past ten years. (C26.3.2) The City also contends that the affordability index shows that the City and Grays Harbor County are less costly places to live than many of the comparable jurisdictions. (C26.3.3)

The City argues that when median per capita income for Aberdeen is compared to the comparable cities, Aberdeen's median per capita income is 13.1% below the average. (C26.3.4) Aberdeen household income is 18% below the average for the comparable cities. (C26.3.5) Home prices in Aberdeen are substantially lower than all the comparables except the nearby city

of Hoquiam. (C26.3.6) Accordingly, lower property values mean lower revenue from property taxes. Rental prices in Aberdeen are substantially lower than the comparables and housing affordability is substantially higher. (C26.3.7, C26.3.8)

When comparing the wages of this bargaining unit to the comparable jurisdictions, the City took a total compensation approach. (TR211-TR213; C26.5.1, C26.5.2, 26.5.3) The City included the following to arrive at total compensation: 1.) base wages; 2.) longevity incentives; 3.) education incentives; 4.) pay in lieu of holidays; 5.) holiday overtime; 6.) uniform allowances, and; 7.) deferred compensation matching. The value of health insurance was not included because of the difficulty involved in trying to compare health benefit plans.

The City's exhibits provide comparisons of total compensation for officers at various levels of service, and with either an AA/AS Degree or a BA/BS Degree, to similarly situated officers at the other jurisdictions. The City used top step base pay for officers with 5, 10, 15 and 20 years of service, and also included the longevity pay they receive. In addition, if the officer receives pay in lieu of holidays that amount is also included in the compensation. The City summarized the method used for making the total compensation comparisons, in part, as follows:

We total that up monthly, we annualize it and get an amount of money that they receive for compensation. Then we take the scheduled work week, we deduct from that vacation that they accrue at that level. If they get holiday time off, we deduct that, and we come up with net hours worked per month, and then annualize that and we divide that into the total gross compensation to develop a number that is the net hourly compensation. (TR212:11-19)

The City developed comparisons for 2014, 2015 and 2016, using the City's proposed rates of increase for the bargaining unit of 0/2%/2%. For the comparables that don't have settled contracts, the City left the pay level constant and did not assume any increase.

The following charts summarize the approach taken by the City in analyzing the relationship of this unit's compensation to the comparables.

2014

Service Years/Degree	High Net Hourly Rate	Low Net Hourly Rate	Average Net Hourly Rate	Aberdeen Net Hourly Rate
5 yr AA Degree	47.72	36.44	40.93	41.71(+1.9%)
10 yr AA Degree	49.04	37.75	42.52	43.29(+1.8%)
15 yr AA degree	49.48	38.22	43.46	44.69(+2.8%)
20 yr AA Degree	50.14	38.89	44.32	46.18(+4.2%)
5 yr BA/BS	48.79	37.13	40.93	42.51(+1.7%)
10yr BA/BS	50.14	38.54	43.16	44.10(+1.6%)
15 yr BA/BS	50.58	39.29	44.00	45.53(+2.6%)
20 yr BA/BS	51.23	39.98	44.70	47.04(+4.0%)

2015

Service Years/Degree	High Net Hourly Rate	Low Net Hourly Rate	Average Net Hourly Rate	Aberdeen Net Hourly Rate
5 yr AA Degree	48.19	36.98	41.56	42.54(+1.7%)
10 yr AA Degree	49.52	37.75	43.18	44.14(+1.6%)
15 yr AA degree	49.97	38.22	44.14	45.58(+2.6%)
20 yr AA Degree	50.63	38.89	45.00	47.09(+4.0%)
5 yr BA/BS	49.27	38.02	42.18	43.35(+1.5%)
10yr BA/BS	50.63	38.80	43.82	44.97(+1.4%)
15 yr BA/BS	51.07	39.29	44.68	46.43(+2.4%)
20 yr BA/BS	51.74	39.98	45.66	47.97(+3.8%)

2016

Service Years/Degree	High Net Hourly Rate	Low Net Hourly Rate	Average Net Hourly Rate	Aberdeen Net Hourly Rate
5 yr AA Degree	48.19	36.98	41.89	43.38(+2.9%)
10 yr AA Degree	49.52	37.75	43.54	45.01(+2.7%)
15 yr AA degree	49.97	38.22	44.50	46.48(+3.8%)
20 yr AA Degree	50.63	38.89	45.37	48.02(+5.2%)
5 yr BA/BS	49.27	38.02	41.89	44.21(+2.6%)
10yr BA/BS	50.63	38.80	44.18	45.88(+2.4%)
15 yr BA/BS	51.07	39.29	45.05	47.34(+3.6%)
20 yr BA/BS	51.74	39.98	46.03	48.92(+5.0%)

The City's exhibits show that the highest paying comparable jurisdiction has been Enumclaw and the lowest has been Hoquiam. Generally, Aberdeen, with a couple of exceptions,

is the third, fourth or fifth highest paying jurisdiction within the various length of service and education examples.

The Guild contends that it wants to maintain its relative position on base wages with comparable cities. (TR141:7-23) In its analysis of the wage comparison with the comparable jurisdictions, the Guild focused on top step base wages at five years without consideration for other forms of compensation. On that basis, the Guild ranks second among the comparables, led only by Mountlake Terrace. (Guild Brief, p. 45)

The Guild also analyzed the wage comparisons for officers at five years of service for 2014 through 2016. The Guild assumed that unsettled contracts at other jurisdictions would receive a 2.75% increase in 2014 and a 2% increase in 2015 and in 2016. In that analysis, the Guild proposal of 2.75/2/2 places the Guild in third position among the comparables in 2014 and fourth position in 2015 and 2016. The analysis shows that with the City's proposed increases of 0/2/2, the Guild places fourth among the comparables in 2014 and fifth in 2015 and 2016.

Applying similar assumptions about future increases among the comparables, the Guild argues that for the twenty year officer with a BA/BS would be in fourth position among the comparables under the Guild proposal and under the City's proposal the Guild would be in fourth in 2014 and in fifth position in 2015 and 2016.

The Guild argues that under the City's proposal the gap between the Guild and the next lower-ranking comparables would be narrowed and the gap between the Guild and higher level comparables would expand.

The Guild also argues that settlement percentages in other jurisdictions support its proposal of 2.75% in the first year. The Guild argues that the average percentage increase for 2014-2016 among the comparables is 2.38% and the average over three years of the Guild's proposal is 2.25%. (Guild Brief, p. 50; G8) I find, however, that settlement percentages, taken in isolation, are not helpful in an analysis of comparable wages.

Both the City's analysis of the wages and the Guild's analysis show that the Guild remains above the average for the comparable jurisdictions if the City's proposal of 0/2/2 is awarded. On that basis, awarding a greater pay increase is not supported by the facts in evidence.

In addition, certain other factors cannot be ignored. For 2014, the State of Washington designated Grays Harbor County as a distressed area, meaning that the three-year unemployment



rate was at least 20% higher than the statewide average. (C26.6.6) In the City of Aberdeen, the median household income for 2013 was \$39,126. The top step officer with an AA/AS degree received annual income of \$73,770. In addition to the Guild's relative status as above the average among the comparables, the other factors related to the general economic climate in the area make greater wage increases unreasonable.

Accordingly, the City's wage proposal of 0% in 2014, a 2% increase across the board effective January 1, 2015 and a 2% increase across the board on January 1, 2016 is awarded. (C26.1)

#### Article 19 - Corporal Pay

The Guild proposes to increase the difference between the wages paid to police officers and the wages paid to Corporals from 5% to 7.5%. (TR135:16-TR136:1; TR146:3-TR147:3)

The Guild argues that in recent years, the number of Sergeants has decreased from eight to two. As a result, Corporals have assumed many of the duties previously performed by the Sergeants. The Guild argues that the City has effectively replaced the sergeant position with the Corporal position. (TR146:3-TR147:3)

The Guild argues that the fair comparison of wage rates for Corporals is the Sergeants' pay rates at the comparable jurisdictions. The Guild contends that the increase proposed for corporals is offset by the savings that resulted from reducing the number of Sergeants.

The City argues that Lieutenant positions have been added and Sergeants promoted into those positions. Lieutenants are in charge of each shift/team. Lieutenants are not in this bargaining unit.

The Chief testified that the Lead Patrol position has been vacated through attrition and Corporals now handle those duties. (TR222:17-TR223:25)

The City argues that the job duties described in the job descriptions for Lead Patrol and Corporal are identical. (C27.2) The City argues that the difference is that the Lead Patrol position was appointed by the Chief and the Corporal position is a civil service position. The City argues that only one of the comparables has a Corporal position and that contract in Port Angeles does not have a defined pay differential for Corporals. At Port Angeles, the difference between the top step officer pay rate and the corporal pay ranges from 2.9% to 7%. (C27.3)

I find that, although the Guild contends that Corporals have taken over the duties of Sergeants, the evidence does not show specifically the ways in which Corporals have assumed

Sergeants' duties. The job descriptions in the record show that the Corporal position is a status change to a civil service position without any change in the job description from the job description of a Lead Patrol officer.

Based on the record, I find that the Guild has not met the burden to prove that a change is needed.

Article 19 - Deferred Compensation

The Agreement currently provides that, effective January 1, 2012, the City agrees to deposit monthly to each employee's deferred compensation account a dollar for dollar match up to twenty-five dollars. (CA3, p. 17) Members are also entitled to cash out eight hours of vacation into the deferred compensation plan each month, but the City's match remains the same at \$25. At the top step base wage, an officer can contribute \$35.31 under the vacation cash out, for a total monthly employee contribution of \$60.31.

The Guild proposes to modify this benefit by introducing the following scale of monthly contributions:

<u>Employee Contribution</u>	<u>City Contribution</u>
\$25	\$25
\$200	\$50
\$300	\$75
\$400	\$100

The Guild contends that the deferred compensation proposal it has made is supported by an analysis of the comparable jurisdictions and the funding will rest primarily with the Guild members and the City will incur only a minor financial obligation.

The Guild points out that six of the comparable jurisdictions contribute significantly more to deferred compensation than the City does. The Guild contends that the average monthly employer contribution at those comparable jurisdictions is \$171. By proposing a maximum City contribution of \$100 per month, the Guild argues that the City's contribution will continue to be well below the average among the comparables that have deferred compensation. (G11)

The City argues that the Guild's proposal is not supported by either internal parity or parity with the comparables. In addition, the City contends that the Guild's proposal is not limited to future contributions and the proposal would create a significant administrative burden if applied retroactively. The City argues that deferred compensation originally was intended as a

benefit for overtime-exempt employees. (TR204:5-13) The City argues that because members of the bargaining unit receive overtime pay and are generally among the highest paid City employees, the members of the unit can save for the future from those earnings.

The record shows that 28 of 31 Guild members now contribute to deferred compensation accounts. At \$25 per contributing employee, the City’s current monthly cost for this unit is approximately \$700. The following chart shows the effect on the City’s monthly contribution that the Guild’s proposal would have:

<u>Employee Contribution</u>	<u>Proposed City Match</u>	<u>Guild Members At That Level</u>	<u>Monthly Cost to the City</u>
\$25	\$25	8	\$ 200
\$200	\$50	7	\$ 350
\$300	\$75	3	\$ 225
\$400+	\$100	10	\$1,000
		Total cost	\$1,775

As shown above, the City’s monthly cost, assuming no change in employee contribution levels, would increase from \$700 to \$1,775, or annually from \$8,400 to \$21,300 (total annual difference of \$12,900). If members increased their individual contribution levels, then the City’s costs would increase correspondingly.

The City argues that a total compensation analysis shows that the City almost always beats the average among the comparables and this proposal would increase the lead over the market average by an unreasonable amount. (C26.5.1-C26.5.3)

I find that the Guild has not met its burden to prove that a change is needed. Although more generous plans are offered at some of the comparables, others have no deferred compensation plan. (G11)

Article 19 - Longevity

The current Agreement provides for longevity steps as follows:

- After 10 years            2.5% of base salary
- After 15 years           3.0% of base salary
- After 20 years           3.5% of base salary (CA3, p. 17)

The Guild proposes to add a fourth longevity step of 4% of base salary after twenty-five years. The Guild contends the proposal would provide an incentive for long-term officers to remain employed. (TR137:12-21)

The employee roster in the record shows that three members currently have more than 25 years of service. Five others have 20 or more years, but less than 25. (CA9)

The City argues that although it values seniority, the City does not currently have an employee retention problem that would justify adding this incentive. The City also argues that only two of the comparables have a longevity step after twenty-five years. The City argues that no other employee group in the City has this proposed benefit. (C29.2-C29.4)

Based on the record, the Guild has not met the burden to prove that a change is needed.

#### Award

The “status quo” references below indicate that the proposed change in the Agreement is not awarded.

Article 6 – Donation of Sick Time – Status quo.

Article 7 - Health care premium sharing - Status quo.

Article 7 – HDHP and HSA – The City’s proposal is adopted with the exception of the language that terminates the contributions on December 5, 2016 unless an extension is negotiated. (C6.1)

Article 7 - Health Reimbursement Arrangement (Account) (“HRA”) - Status quo.

Article 11 - Specialty Pay as a Percentage of Base Pay - The Guild’s proposal to replace the fixed dollar amounts with a percentage for the current specialty pay categories is awarded, but will not take effect until January 1, 2016:

Field Training Officer	-	2% of base pay
SWAT/CRU Leader	_	2% of base pay
Force Training Unit Range Master	-	2% of base pay
Motorcycle	_	2% of base pay
Canine Officer	-	Three OT hours per week + 2% of base pay
SWAT/CRU Officer	-	2% of base pay
Maximum Premium for working in three or more specialties	-	6% of base pay

Article 11 - Specialty Pay – Collision Review Team and Explorer Advisor

Both of these proposals are on hold pending the outcome of the unfair labor practice charge filed by the City. (CA10)

Article 11 - Specialty Pay – Air Respirator Administrator - Status quo.

Article 11 - Specialty Pay – Detectives - Status quo.

Article 13 - Holiday Sell-back - Status quo.

Article 15 - Additional Vacation Step - Status quo.

Article 18 - Clothing Allowance – The annual clothing allowance is increased to \$850, retroactive to 2014.

Article 19 – Wages – The City’s proposal for wage increases is adopted. Article 19, Section 1 is revised as follows, consistent with the City’s proposal. (C26.1)

1. **Salary ranges.** Effective January 1, 2014, the members of the bargaining unit shall be paid in accordance with the following schedule:

Position	Range	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Sergeant	21P	5,469	5,740	6,028	6,331	6,645	6,981
Corporal & Lead Patrol	20P	5,211	5,469	5,740	6,028	6,331	
Patrol Officer	19P	4,961	5,211	5,469	5,740	6,028	
Pre-basic	18P	4,714					

Effective January 1, 2015, the salary schedule in effect as of December 31, 2014 shall be increased across the board by two percent (2.0%). Effective January 1, 2016, the salary schedule in effect as of December 31, 2015 shall be increased across the board by two percent (2.0%).

Newly employed patrol officers who have not graduated from basic police academy shall be paid at a rate of 5% below range 19, Step 1. Upon graduation the salary shall be paid at Step 1, Range 19, and the anniversary date for progression through the ranges shall be set as the date of graduation.

Article 19 - Corporal Pay - Status quo.

Article 19 - Deferred Compensation – Status quo

Article 19 – Longevity - Status quo.

Dated this 9<sup>th</sup> Day of December 2015



---

Joseph W. Duffy  
Arbitrator