COMMONWEALTH OF MASSACHUSETTS

JOINT LABOR MANAGEMENT COMMITTEE FOR MUNICIPAL POLICE

AND FIRE

JLMC-13-2932

IN THE MATTER OF ARBITRATION BETWEEN:

CITY OF QUINCY

&

QUINCY POLICE SUPERIOR OFFICERS ASSOCIATION

AWARD AND DECISION BY THE ARBITRATION PANEL

Background

The City of Quincy ("City" or "Employer") and the Quincy Police Superior Officers Association ("Union") are parties to a Collective Bargaining Agreement ("Agreement") that expired June 30, 2012. The parties engaged in direct negotiations and mediation, and agreed upon a number of matters, but were unable to reach a successor Agreement. A petition was filed for the Massachusetts Joint Labor Management Committee ("JLMC") to exercise jurisdiction, and on December 12, 2013 the JLMC exercised formal jurisdiction over the ongoing dispute between the City and the Union. An Arbitration hearing commenced on September 30, 2014 in Quincy, Massachusetts before a Tri-partite panel consisting of Gary D. Altman, Esq. Neutral Panel Member, Mayor Dean Mazzarella, Management Panel Member, and Alan Andrews, Union Panel Member. Michael Maccaro, Esq., represented the City of Quincy, and Gerard S. McAuliffe, Esq., represented the Union. The parties submitted post-hearing briefs.

Analysis and Issues

Under the Collective Bargaining Laws of Massachusetts, the Interest Arbitration process is utilized when "there is

an exhaustion of the process of collective bargaining which constitutes a potential threat to public welfare". In reaching the conclusions in the present award, the Arbitration Panel has considered the criteria set forth in the statute including the municipality's ability to pay, wages and benefits of comparable towns, and the cost of living. It must also be noted that large gains or major concessions are not achieved in the format of arbitration. An arbitrator is reluctant to modify contract provisions where the parties, in past years, have already reached agreement, the contract article has been in the contract for a considerable period of time, and there has been no ascertainable problem with the contract language.

Background

The JLMC conducted a Section 3A hearing on April 13, 2013. At the outset of the hearing each party submitted a list of outstanding issues to the JLMC. The Union submission read as follows:

The only issue remaining between the parties is the issue concerning the total economic benefit increase offered and accepted by all other non-teaching bargaining units and the economic benefit increase offered to the Quincy Police Superior Officers Association.

The City submitted the following issue:

Please accept the following correspondence as the City of Quincy's statement of outstanding issues. The City of Quincy maintains that there are no outstanding issues remaining to be bargained. The City of Quincy proposes that the parties enter into a three year agreement with the terms as outlined in the document provided to the mediator on April 3, 2014, entitled "Draft MOA for discussion purposes between The City of

Quincy (the "City") and The Quincy Police Superior Officers (the "Association").

The City's final offer to the Union was prepared as a Memorandum of Agreement and reads as follows:

1. Consolidate into a single document the old CBA and more recent MOAs, eliminating outdated language, cleaning up old dates and old rates. Incorporate any changes from bargaining into same and sign a new restated agreement after conclusion of these negotiations.

2. Article I, Recognition

a. Clarified that Superior Officer in Charge of Internal Affairs Officer is a confidential employee not included in any bargaining unit.

3. Article V, Grievance Procedure and Arbitration -Delete "or to the Federal Mediation and Conciliation Service". Agreed in concept to clarification of arbitration process, and ensuring agreements to extend time limits are reduced to writing.

4. Article VI, Group Insurance Plans

A. Update language.

5. Article XII, Longevity - Eliminate 5, 10 and 15 year longevity payments for employees hired on or after July 1, 2012.

6. Article XIII, Sick Leave - For employees hired on or after July 1, 2012, reduce accrual rate so it will accrue at 1 and 1/4 days per calendar month for a total of 15 days per year.

7. Article XVII - Leave of Absence - Add the following: "Leave taken under this Agreement for reasons covered by any federal or state law, including but not limited to the Family and Medical Leave Act, the Small Necessities Act or the Massachusetts Maternity Leave Act will be considered FMLA, SNLA or MMLA leave as well as leave under this Agreement and leave under any other applicable state and federal law, and will be deducted from the employee's statutory leave entitlement, if any. Employees taking leave for reasons covered by any state or federal law shall be required to comply with such notice and other requirements as may be promulgated by the City from time to time in its leave policies."

8. Article XVIII, Vacations-

A. Change the summer vacation period from June 1 - September 21 to June 20 - September 3.

9. Article XXIII, Clothing and Equipment -Delete \$975 and replace with:

Effective July 1,2012 - \$1,100 Effective July 1, 2013 - \$1,225 Effective July 1, 2014 - \$1,350

10. Article XXIV - Compensation - Open

A. Increase the base salary wage scale by the following percents:

Effective July 1, 2012 - 1 % ATB Effective July 1, 2013 - 2% ATB Effective July 1, 2014 - 2% ATB

B. Step Increases: The City will credit for the purpose of calculating step increases in Subsection (g) only, law enforcement experience as a law enforcement officer with other federal, state, or local law enforcement or campus police offices. By law enforcement experience, the parties mean that the employee had in his/her former position either carried a firearm or was involved in prisoner interaction. Among those positions specifically excluded from this definition are security guards.

11. Open - Article XXVI - Education Incentive Pay -

LANGUAGE TO BE WORKED ON.

12. Article XXIX, Duration - 3 year agreement, effective from July 1, 2012 to June 30, 2015. This agreement is subject to ratification by both parties. Both bargaining teams agree to recommend the above package for ratification.

Positions of the Parties

Summary of the Union's Arguments

The Union maintains that these negotiations are about the City being fair to all its employees. The Union states that all City groups including the Police Patrol Officers received the same overall wage increases of 1%, 2%, and 2% over the three-year period of this Agreement. A review of the agreements reached with the City's other bargaining units shows that those employees received compensation and benefit increases that have not been offered to Superior Officers. The Union asserts that it is not equitable for the City to have agreed to other compensation and benefit increases for other Quincy employees but failed to offer any comparable benefit or wage increases to Superior Officers.

The Union states that the Quincy Public Employee's Association received the same across the board increase, but that the City also agreed to add \$500.00 to the base salary for those employees for each year of the three-year agreement. The Union states that depending upon where one is on the wage schedule, this amounts to an overall wage increase of between 6.4% and 10%. The Union states that this bargaining unit agreed to the same concessions as was asked and agreed to by the Superior Officers. The Union also points to the agreement reached by the Quincy Supervisors Association, in which the City also added \$500

each year to the base salary in addition to the overall across the board increases. The Union maintains that these increases, depending upon where an employee is on the salary schedule, amounts to between 1.9% for those at the top step to 3% to those on the lower salary steps. Again, the Union states that this bargaining unit agreed to the same concessions agreed to by the Superior Officers.

The Union states that with the Quincy Library Staff Association the City agreed to increase the shift and weekend differential. The Union states that the increase in each of the two differentials was \$2.00 per hour. The Union estimates that the increase in this benefit amounts to an additional \$1,220 for each employee. The Union states that the concessions agreed to by this bargaining unit are not significant, and that in total this bargaining unit received a better compensation package than offered to Superior Officers.

The Union states that for Quincy Public Building Maintenance the City agreed to add significant benefits increases in addition to the three year across the Board increases of 1%, 2% and 2%. The Union points to an increase of \$700 in the clothing allowance, an additional \$400 to employees' base pay, an increase in call back minimums, an increase in car allowance, and an increase in sick leave buy back. The Union states that this bargaining unit did agree to some concessions but the concessions, again, were not significant, and the employees in this bargaining unit received benefit increases that far surpass what was offered to Superior Officers.

The Union states that for the Laborers Bargaining Unit the parties agreed to the same overall three year across the board wage increases but also agreed to a 2% increase

in both night and weekend differential. The Union states that this bargaining unit also received a \$500 increase in clothing allowance and received a \$1,000 base pay increase, and the City agreed to higher contributions toward the employees' pension fund. Again, the Union states that benefit increases provided to these employees were more generous than offered to Superior Officers.

The Union states that the Quincy Public Safety bargaining unit is a small unit of only five employees, but nonetheless received a significant increase in their compensation over the period of the three-year agreement. The Union points to the addition of hazard pay of \$48.00 per week, and on call-pay was doubled. The Union states that although this group agreed to a number of concessions, the overall benefit and compensation package agreed to for this bargaining unit resulted in an overall increase of approximately \$600 per employee over the wage pattern.

The Union further asserts that Quincy Fire Fighters received a compensation package that was a more lucrative financial package than offered to Quincy Police Superiors. The Union maintains that firefighters received a 1% increase in weekend/night differential, and their hazardous duty pay was increased by 2.1%. The Union states that Superior Officers do not have a hazardous duty stipend. Further, the Union states that although the parties agreed to eliminate the cleaning and clothing allowance, a 2.1% cost, this 2.1% was then added to increase the hazardous duty pay which is applied to base pay, which increases the employees' hourly rate, and thus increases vacation pay, holiday pay, and the overtime rate for all firefighters.

The Union also states that Firefighters, unlike other City employees, gave no concession on longevity payments.

The Union maintains that arbitrators often look at settlements for other public safety groups to measure total compensation packages. The Union states that the settlement for Quincy Firefighters provides ample justification to reject the City's last compensation proposal and increase the overall compensation package for Quincy Police Superiors.

The Union states that Quincy Patrol Officers received the same across the Board increase, and increase in clothing allowance, as offered to the Superior Officers. In addition, the Union states that Patrol Officers also agreed to the same concessions agreed to by the Superior Officers.

The Union argues, however, that the City agreed with Patrol Officers to a substantial increase in education incentive benefits. Specifically, the Union states that the parties agreed that all patrol officers hired through June 30, 2012 would receive full education benefits that were provided under the Quinn Bill. The Union maintains that the City, by agreeing to provide full Quinn education benefits when it was no longer legally required to do so, provided a very generous benefit to patrol officers. The Union estimates that in reality that was a new benefit will cost the City approximately \$900,000 over the course of this three year agreement.

The Union states that although members of the Superior Officers Association receives full Quinn educational benefits, continuing of education benefits for Superior Officers must be viewed and valued differently than is the case for Patrol Officers. Specifically, the Union asserts that educational benefits for Police Superiors has always been a contractual benefit; Superior Officers have always received Quinn benefits, and education benefits for

Superior Officers was never subject to the funding requirements of the Quinn Bill. Thus, the Union states that unlike the Patrol Officers, the City has an existing contractual commitment to continue to pay full Quinn benefits. In other words, the Union maintains that the continuation of educational benefits for Superior Officers is not a new benefit, as was the case for Patrol Officers. The Union therefore argues that it is inappropriate to consider the continuation of educational incentives for Superior officers as a new cost benefit, which should prevent Superior Officers from receiving improvements in benefits that were received by other City bargaining units in this round of contract negotiations.

The Union states that the City has a practice of providing the same overall wage and benefit increases for all City employees. In fact, the Union states that in this round of contract negotiations the City, to demonstrate its commitment to equity, agreed with Patrol Officers, the DPW workers, and the Quincy Superiors, to language that it would reopen negotiations if another bargaining unit received higher base wages. The Union states that Quincy Patrol Officers are now considering triggering this reopener, maintaining that the City, by increasing the base rates of other employees, agreed to higher wage increases than provided to Patrol Officers.

The Union thus argues that there is ample justification to provide additional compensation to Superior Police Officers. The Union now proposes to either increase the Reading Time benefit that now exists, or add a Hazardous Duty Clause of 1% of salary and increasing this benefit by an additional 1% for the second year and another

1% for the third year of the Agreement (total of 3% increase).

Summary of the City's Arguments

The City maintains that the under the proposed Memorandum of Agreement the Quincy Superior Officers will receive a fair and equitable contract for a three year period of time. The City argues that under its proposed wage increases, Superior Officers will recieve the same across the board increase as provided to all other City employees: July 1, 2012, 1%; July 1, 2013, 2%; and July 1, 2014, 2%, a total of a 5% increase over the three-year contract period.

More significantly, the City states that its proposed settlement, for all practical purposes, mirrors the Agreement reached with the Quincy Patrol Officers including both wages and benefit increases. Specifically, the City states that it has proposed to Superior Officers the same wage and benefit package that has already been agreed to by the Patrol Officers. The City states that as was agreed to by the Patrol Officers, it has also offered to fully fund Quinn educational payments for Superior Officers. The City states that in the past, the State paid half of the funding for Quinn Bill incentives, but the State no longer pays any portion of police officers' educational incentives, thus, it now is responsible for shouldering the entire cost. The City maintains that this is a significant cost that does not exist for any other City bargaining unit.

Further, the City states that it agreed with Patrol Officers to increase the private detail rate of five (\$5.00) dollars over the three year period, and that this increase has already been implemented for Superior Officers

even though it has yet to reach agreement with the Superior Officers.

The City argues that the Superior Officers in this arbitration proceeding simply want more money. The City maintains that at no time during the negotiations or in the arbitration proceeding has the Union actually indicated what they are seeking or what specifc benefit should be increased. The City argues that the Union would be hard pressed to find any benefit for which they are paid less than superior officers in any comparable community. Specifcially, the City states that the Superior Officers are the highest paid employees in the City, and receive salary and benefits that far surpass the wages and benefits provided to superior officers in comparable communities.

The City concludes that its proposed Memorandum of Agreement with the same across the board wage increases should be awarded by this Arbitration Panel, and that no further benefits or compensation should be awarded.

Discussion

The Union represents a bargaining unit composed of police officers holding the rank of Sergeant, Lieutenant and Captain. At the present time there are approximately fifty superior officers in the bargaining unit. The issue in dispute is very limited. Specifically, the parties have engaged in direct negotiations and mediation, and have agreed on a number of subject matters. They were, however, unable to reach a final agreement. The issue before this Arbitration Panel is whether the terms set forth in the City's proposed Memorandum of Agreement should be awarded or whether additional benefits or compensation should be awarded as part of the Superior Officers' successor threeyear agreement.

At this point in the negotiation cycle, all other City-side bargaining units have reached agreement with the City; the Superior Officers are the last bargaining unit to come to terms for a three year Agreement for the period of July 1, 2012 through June 30, 2015. As a general matter, in determining the appropriate wage increases, arbitrators pay great attention to wage settlements that have occurred within the municipality. In particular, internal wage settlements demonstrate the so-called "going rate" and the municipal employer's ability and willingness to pay, in the current economic times. The facts demonstrate that there has been a uniform pattern for the across the board wage increases for all Quincy municipal employees. Specifically, for FY 13 all municipal employees received a 1% across the board increases for FY 14 all employees received a 2% across the board increase; for FY 15 all employees received a 2% across the board increase.

The Memorandum of Agreements for the other City bargaining units were introduced into evidence in this proceeding. A review of those Agreements shows that in addition to the above stated across the board wage increases, the City and the other bargaining units agreed to other economic benefits, increases in stipends and also various changes or concessions in the existing current benefits. For example, the Quincy Public Employees Association, in addition to the across the Board increase of 1%, 2% and 2%, also agreed to increase the base salary by \$500 each year of the three-year agreement. The Agreement states that this increase was the result of agreeing that new employees would forego longevity payments. Nonetheless the impact of adding increases to

base salary certainly raises the base salary higher than a simple 5% wage increase over the same three year-period.

Similarly, other City bargaining units agreed to the enhancement of the base salary in addition to the 5% across the board increase for the three-year wage pattern. The Quincy Supervisory Association also received a \$500 increase to their base pay each year of the three year agreement in addition to the across the board wage increases. The Quincy Public Building employees agreed to add \$400 to their base salary effective July 1, 2013, and added a new top step. There were also concessions as part of this settlement. Quincy Fire Fighters agreed to the 5% three year across the board increase. They also agreed to eliminate the clothing and cleaning allowance and add this amount to the base salary. In addition, Firefighters agreed to an increase in the night and weekend differential.

There can be no doubt that these additions to the base salary and increases in other benefits for other City groups results in higher overall compensation packages than has been offered to Quincy Superior Officers. The issue then, is why the Quincy Police Superiors should not be awarded a better or more lucrative compensation package than has been offered by the City, since these other groups of employees received different compensation packages. For the answer one must look to the most recent settlement with the Quincy Police Patrol Officers, and the impact of the funding for the Quinn Educational Incentive.

A review of the Patrol Officers Agreement shows that the City has offered the Superior Officers the same wage increases: 7/1/12 1%, 7/1/13 2%, 7/1/14 2%, and the same increases in clothing and equipment: effective 7/1/12 \$1,100, effective 7/1/13 \$1,225, and effective 7/1/14

\$1,350. There is no dispute that Superior Officers have also been receiving the same increase in the paid detail rate as has been provided to Patrol Officers. The Patrol Officers also agreed to add language in their Agreement that would grandfather all employees hired prior to July 1, 2012 with full education benefits provided by the Quinn Bill Educational Incentive Program.

The City of Quincy adopted the Quinn Bill many years ago. Under the Quinn Bill police officers are paid an educational incentive based on their post-high school education. More specifically, under the Quinn Bill police officers with an Associate's degree receive 10%, Bachelor's degree 20%, and Master's degree 25% added to their base pay. The Quinn Bill initially provided that the State would reimburse municipalities for 50% of the cost of the educational incentives.

There is no dispute that the Commonwealth did not fulfill its obligation to fund 50% of the Quinn Bill for Fiscal years 2010 and 2011, and at the present time no longer funds any of the costs of the educational incentive program. The controversy surrounding the Commonwealth's failure to fund the Quinn bill resulted in a number of lawsuits, and most recently the Massachusetts Supreme Judicial Court decided Adams v City of Boston, 461 Mass 602 (2012). In that case the Court concluded that the State was not legally required to fund half of the costs of the Quinn Bill Education Incentive Program, that this was a program subject to annual appropriations by the State Legislature. If communities wanted to continue providing the full educational incentive amounts provided for in the Quinn Bill, the costs would now be born entirely by the municipality.

There can be no question that the Commonwealth's failure to fund the Quinn Bill education incentive program has altered the landscape for negotiations for public safety contract negotiations. Specifically, municipalities having lost 50% of the funding source for the educational incentive, police officers in many communities were faced with receiving less educational incentive and a severe reduction in their overall compensation. In an effort to retain educational benefits and not suffer loss of compensation, many police unions throughout the State agreed to lower salary and benefit packages than was agreed to with fire firefighters in the same communities.

The facts, as stated in this case, show that the compensation and benefit package provided to non-police bargaining units was more lucrative than has been offered to the two police bargaining units. Specifically, the two Police bargaining units have not been offered flat dollar payments added to the base rate, and there was no merging of benefits into the base pay rate.

The City and Patrol Officers agreed to grandfather Quinn bill payments for officers hired prior to July 1, 2012, and new officers hired after that date would now receive half of the amounts. The Superior Officers argue that that was a large benefit for Patrol Officers, and since the City guaranteed the payment, it essentially amounted to a new benefit for Patrol Officers. The Superior Officers argue that they should not be treated the same as Patrol Officers since they already had in their Agreement language that provided for full Quinn payments for members of the Superior Officers. In other words, the Superior Officers assert that providing the full amount for the Quinn Bill education was already an obligation of the City,

and thus, continuing the incentive was not the equivalent of a new economic benefit for Superior Officers.

The Superior Officers may have had contract language that guaranteed full Quinn Bill incentives. Whatever the contract language existed in the prior Agreement, there is no legal guarantee that the City could not seek to change the current contract provision and to lower the educational payments for Superior Officers. The City has not proposed to do so in the present case; it did not do so for Patrol Officers and it did not do so for Superior Officers. The fact that the Commonwealth stopped reimbursing local communities for the Quinn Bill incentive, and the City has had to make up the money to ensure that Patrol Officers did not receive significant decreases in their pay, is not a good enough reason to grant additional benefits to Superior Officers who also retained full Quinn Bill benefits, even if they had different contract language. Specifically, Quincy Patrol Officers have had the Quinn Educational Incentive for a considerable period of time; continuing the same benefit as previously existed cannot be viewed as if the Town gave Patrol Officers a brand new benefit.

It must also be remembered that the City lost half of the funding for Quinn Bill payments, and this is the case for Superior Officers as well as Patrol Officers. The educational incentive may remain the same for current members of the bargaining unit but the City's costs of providing this benefit has essentially doubled for the City. This is, in fact, an economic benefit that applies to both Patrol Officers and Superior Officers.

Accordingly, the Panel believes that the appropriate benchmark in this arbitration proceeding is the Patrol Officer's settlement, and not the wage pattern for the

other Town agreements. In particular, the Patrol Officers, like the Superior officers, compose the Town's Police Department; they perform the same public safety responsibilities. More significantly, the City is confronted with the same costly predicament with respect to Quinn Bill funding, for both Patrol Officers and Superior Officers. As a general matter, there is no suggestion that there has not been a parity relationship in wage and benefit increases for police officers and superior officers in the same community. There is no suggestion that this has not been the case for Quincy Patrol Officers and Quincy Superior Officers in their history of contract negotiations.

The City did agree to add language to the Patrol Officers Agreement that reads:

In the event that a higher across the board salary percent increase is negotiated as part of the negotiations with other city bargaining units, the parties agree that this contract may be reopened for further negotiations on this base salary issue only.

In this arbitration proceeding the Union asserted that Patrol Officers are considering utilizing this language to seek to reopen negotiations on base wages, since other City bargaining units agreed to add flat dollar payments to their wage schedule while also receiving the across the board percentage wage increases. This Interest Arbitration Panel offers no opinion as to the meaning of this reopener clause, and whether the fact that the City agreed to add flat dollar payments to wage schedules of other bargaining units would trigger this reopener. The Panel does believe, however, that it is appropriate that this reopener language be added to the Superior Officers' Agreement, should the

Patrol Officers reopen negotiations and parties ultimately agree to increase the Patrol Officer wages for this threeyear Agreement.

Award

The Majority of the Panel hereby awards the wage and benefit package set forth in the City's Memorandum of Agreement, with no further enhancements. In addition, the parties must also add the reopener language that was agreed to with the Quincy Police Patrol Officers.

Conclusion

The Panel has considered the statutory criteria in an effort to balance the interests of the bargaining unit employees, the City, and the citizens of the City of Quincy. It must be noted that the reasoning set forth above is that of the neutral arbitrator.

Respectfully submitted,

Neutral Arbitrator Altman, Esq.,

Dean Mazzarella, Management Panel Member, Concurs in this Award

Alan Andrews, Union Panel Member, Dissents in this Award

Dated: November 21, 2014