

MEMORANDUM



TO: VICTOR CARDENAS, CITY MANAGER
DANIELLE MAHONEY, ASSISTANT CITY MANAGER
FROM: TIA GRONLUND-FOX, DIRECTOR OF HUMAN RESOURCES
SUBJECT: POLICE COMMAND LABOR ARBITRATION UPDATE
DATE: OCTOBER 6, 2026

CONFIDENTIAL

I am providing you with a quick update regarding where we are in the Arbitration process.

We have been assigned an arbitrator for this case, Ben Kerner. Mr. Kerner is a practicing attorney out of Ann Arbor, who has been hearing arbitration cases for more than three decades.

The process schedule and arbitration hearing dates have been set as follows:

- Parties exchange exhibits and witness lists on December 15, 2026
- Parties submit Last Best Offer on each issue by January 5, 2027
- Hearing dates of January 12th, January 14th, and if needed January 20, 2027
- Parties to file Post-Hearing Briefs by February 24, 2027
- Tentative date for delivery of Arbitration award on April 27, 2027

The issues Mr. Kerner will be deciding are as follows:

City Position/Proposal:

1. Wage adjustments of four percent (4%) year one and three percent (3%) for years two (2) and three (3) of the contract.
2. No retroactivity.
3. Elimination of compensatory time.
4. Retirement – Officers who are promoted to the Command group will bring with them the retirement plan which they have in that group – eventually closing the Defined Benefit plan.
5. Retirement – Calculation of retirement benefits will be based on base wages only (no overtime or other compensation).
6. Retirement – Employees enrolled in the Defined Benefit plan shall contribute an additional two percent (2%) toward the cost of their pension.

Union Position/Proposal:

1. Wage adjustments of six percent (6%) each year of the contract.
2. Retroactivity for wage adjustment.
3. Rank differential for Sergeant salary to be at least 20% above maximum pay of police officer.
4. Rank differential for Lieutenant salary to be 10% above the Sergeant pay.
5. Longevity pay as follows:
 - a. Two percent (2%) of base compensation after five (5) years of service.
 - b. Four percent (4%) of base compensation after 10 years of service.
 - c. Six percent (6%) of base compensation after 15 years of service.
 - d. Eight percent (8%) of base compensation after 20 years of service.
6. Vacation banks to mirror patrol contract, i.e. an additional eight (8) hours per year of service.
7. Funeral leave to mirror patrol contract, i.e. five (5) days of leave for eligible family members.
8. Retiree Health Savings Account – Eligible officers shall receive contributions for retirement health care into a qualified Deferred Compensation Plan.
9. Shift Premium to mirror patrol contract, i.e. shall receive an additional one dollar and twenty-five cents (\$1.25) per hour for all hours between 7 PM and 7 AM.

I will keep you updated on future developments as they occur.