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STATE OF MICHIGAN
DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES
EMPLOYMENT RELATIONS COMMISSION

IN THE MATTER OF THE ARBITRATION
ARISING PURSUANT TO ACT 312, PUBLIC
ACTS OF 1969, AS AMENDED, BETWEEN:

COUNTY OF ST. CLAIR AND ST. CLAIR
COUNTY SHERIFF'S DEPARTMENT (Employer)
(County)

-and-

POLICE OFFICERS ASSOCIATION OF
MICHIGAN (Union)

MERC Case #D97 J-1470

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STATE OF MICHIGAN
EMPLOYMENT RELATIONS COMMISSION
DETROIT OFFICE

FINDINGS OF FACT, OPINION AND ORDERS

APPEARANCES:

ARBITRATION PANEL:	Mario Chiesa, Impartial Chairperson
	James Tignanelli, Union Delegate
	Douglas Alexander, Employer Delegate
FOR THE UNION:	William Birdseye POAM 27056 Joy Road Redford, MI 48239
FOR THE EMPLOYER:	Fletcher DeGrow By: Gary A. Fletcher 522 Michigan Street Port Huron, MI 48060-3893

INTRODUCTION

As previously indicated, this is a statutory compulsory arbitration conducted pursuant to Act 312, Public Acts of 1969, as

amended. The Union filed the October 5, 1998 petition which was received by MERC on October 8, 1998. The impartial arbitrator and chairperson was appointed via a correspondence from the Employment Relations Commission dated November 9, 1998.

A telephonic pre-hearing conference was conducted on January 11, 1999. There was an additional meeting at the Employer's facilities on February 9, 1999. The hearing was conducted on October 19, 1999.

Last offers of settlement were exchanged between the parties through the neutral chairperson's office on November 5, 1999.

On January 17, 2000 the panel held an executive session at the Union's facilities. It should be noted that the parties waived all regulatory and statutory time limits. They accomplished this both in writing, which was forwarded to MERC, and again verbally on the record at the hearing. Nonetheless, these Findings of Fact, Opinion and Orders have been issued as soon as possible under the prevailing circumstances.

STATUTORY SUMMARY

Act 312 is an extensive piece of legislation outlining both procedural and substantive aspects of interest compulsory arbitration. Without getting into every provision, but certainly ignoring none, there are aspects of the statute which should be highlighted.

For instance, Section 9 outlines a list of factors which the panel shall base its findings, opinions and orders upon. Those factors read as follows:

- "(a) The lawful authority of the employer.
- "(b) Stipulations of the parties.
- "(c) The interests and welfare of the public and the financial ability of the unit of government to meet those costs.
- "(d) Comparison of the wages, hours and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally:
- (i) In public employment in comparable communities.
 - (ii) In private employment in comparable communities.
- "(e) The average consumer prices for goods and services, commonly known as the cost of living.
- "(f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- "(g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- "(h) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment."

This statute also provides that a majority decision of the panel, if supported by competent, material and substantial evidence on the whole record, will be final and binding. Furthermore, Section 8 provides that the economic issues be identified. Parties

- are required to submit a "last offer of settlement" which typically is referred to as "last best offer" on each economic issue. As to the economic issues, the arbitration panel must adopt the last offer of settlement which, in its opinion, more nearly complies with the applicable factors prescribed in Section 9.

Section 10 of the statute establishes, inter alia, that increases in rates of compensation or other benefits may be awarded retroactively to the commencement of any period or periods in dispute.

ISSUES

While initially there were several issues in contention, due to the parties' efforts in negotiating and attempting to resolve the dispute, the only issues presented at the arbitration regarded the salary rates for the stipulated three-year contract which begins on July 1, 1996 and expires on June 30, 1999. It is noted that the Collective Bargaining Agreement expired even before the hearing in this matter could be concluded. Wages were treated as an issue for each separate year of the contract so, in essence, there are three issues regarding wages. The first would be the wage rate being effective on July 1, 1996. The second and third would be the wage rate effective on July 1, 1997 and 1998, respectively. The parties agreed that all wages will be retroactive. In addition, the TA's, settlements of the parties and language in the prior contract which has not been deleted or altered by any agreements or by provisions of this award, are made

a part of this award. The parties agreed that the wage issues are indeed economic.

THE RECORD

The parties submitted numerous documents and testimony from four different witnesses. They were given every opportunity to present all the evidence they thought was necessary.

All the factors contained in Section 9 of the Act, along with all the evidence related to each, was carefully considered and applied. Of course, every item and bit of evidence has not been mentioned in the analysis of the issues. However, that doesn't mean anything was ignored. All the evidence and factors were evaluated and these Findings, Opinion and Orders are based strictly thereon.

COMPARABLES

In Act 312 compulsory arbitrations parties typically, and this case was no exception, spend a considerable amount of time presenting evidence and making arguments regarding paragraph (d) of Section 9 of the statute. That portion of the statute involves comparison of the wages, hours and conditions of employment of employees involved in the arbitration with the same factors relating to other employees performing similar services and with employees generally in both public and private employment in comparable communities.

The statute doesn't specifically outline how such comparable communities shall be determined. While parties historically argue about the comparability of communities, they usually agree on a few

of them. In this case the only community both parties have submitted as comparable is Monroe County.

The Union contends that in addition to Monroe County, Lapeer, Macomb, Oakland, and Wayne Counties, along with the cities of Marysville and Port Huron, should be considered comparable to St. Clair County for the purposes of this arbitration. The Employer has a different view and suggests that in addition to Monroe County, Allegan, Bay, Berrien, Calhoun, Eaton, Jackson, Livingston, Muskegon and Saginaw Counties should be considered comparable.

The Union offers all of the counties and two cities included within the Detroit, Michigan primary metropolitan statistical area. The Employer bases its conclusions on a number of factors, including 1997 estimated total population, 1990 percentage urban versus rural, 1990 persons per square mile, 1995 estimated median household income, 1989 per capita income, 1990 median house value, 1998 taxable value, agricultural value as a percentage of 1998 taxable value, and total sworn officers.

Before analyzing the parties' positions and the evidence and arguments they presented, it would be appropriate to take a close look at the statute.

As indicated above, the statute, specifically Section 9(d), requires that the panel compare wages, hours and conditions of employment of those involved with the arbitration proceeding with the same elements of other employees performing similar services and with other employees generally in both public and private employment in "comparable communities". Synonyms for "comparable"

include similar, alike, resembling, equivalent, matching, etc. Comparable generally means that the other communities must be capable of being compared or equalled or are worthy of comparison.

With the exception of the two cities, Port Huron and Marysville, which are included in St. Clair County, the parties have pretty well agreed that a comparable community is generally defined as another county, and certainly there is good reason for this. Sheriff's departments, while in general are responsible for law enforcement, may very well have similar, although different, police duties over a wider territory than do city officers. Furthermore, county funding is generally distinct from city funding.

As indicated, the Union's position is that the panel should consider comparable all those communities included within the Detroit, Michigan primary metropolitan statistical area. According to the evidence, the primary metropolitan statistical area is designated by the Bureau of Census. It is not an arbitrary designation, but is arrived at from a test that is performed by the U.S. Department of Commerce. The test involves a measure of economic and social integration. According to the evidence, it measures how many people commute from one of these counties to another. It recognizes an integration in terms of travelling to work, the location of work and, in addition, there is economic integration as people shop or spend their money or earn their money in this particular area. The testimony also suggests that there is a social integration and that people may live within this area or

seek recreational or educational opportunities within the same area. Further, the testimony is that one of the threshold criteria is that there be a core city or central city that has a population of at least 50,000.

According to the testimony, St. Clair County meets the tests of economic and social integration. Further, it was suggested by the testimony that the true comparable communities are included within the area defined by the labor market where individuals offer to sell their labor and employers offer to purchase labor for a specific price. As pointed out, the southeastern part of Michigan is most heavily influenced by the automotive dominated industries setting one particular wage level.

The record goes on to establish that the inclusion of St. Clair County in the Detroit primary metropolitan statistical area is based on worker commuting patterns resulting from the 1990 census. Further, the evidence establishes that labor markets are geographical regions with the population and economic activity concentrated to the extent that most workers may change jobs without changing their residents. It would be interesting to compare the number of individuals who commute into St. Clair County from the other counties contained in the Detroit primary metropolitan statistical area with those who commute out of St. Clair County and into the other counties comprising the Detroit primary metropolitan statistical area.

Certainly the information and the data regarding how St. Clair County found itself in the Detroit primary metropolitan statistical

area is interesting and tends to establish reasons why the deputy sheriffs' wage rate in St. Clair County could be compared to the wage rates in the counties included within the statistical area. However, that doesn't mean the counties in the Detroit primary metropolitan statistical area are comparable to St. Clair County because St. Clair County is included within that area. To state it in another fashion, the reason that St. Clair County is included within the statistical area is based upon the factors indicated above, and there is no indication that it is included in that statistical area because it is comparable to the other counties. It is included within the statistical area because of the economic, social integration, the anticipation that employees will change jobs in the area without changing their residents, etc. But as indicated, while that information is valuable, it doesn't necessarily mean that counties which are within the primary metropolitan statistical area are comparable.

For instance, included within the Union's alleged comparable counties is Oakland and Lapeer. Oakland has a 1997 total population of approximately 1.2 million. Lapeer's population is about 87,000. Lapeer is 86% rural; Oakland is 11% rural. In 1989 the per capita income in Lapeer was about \$13,000, while Oakland County was about \$21,000. The taxable value in 1998 in Lapeer was about two billion dollars. In Oakland County it was about 43 billion dollars. Lapeer is about 10.4% agricultural; Oakland about .4%. Lapeer has 34 sworn officers; Oakland has 683 sworn officers. By classic standards it is difficult to conclude that

Oakland and Lapeer Counties are comparable communities. As indicated, it may be appropriate to examine data in the Detroit metropolitan primary statistical area, but that doesn't necessarily mean that the communities are comparable. The data may be relevant for other reasons.

Looking at the statistics regarding St. Clair County, it is noted that its 1997 estimated population was about 158,000. In 1990 56% of the county was urban, 44% was rural, and there were 201 persons per square mile. The house median value was \$59,400. In 1995 the median household income was \$39,428, with a 1989 per capita income at \$13,257. The 1998 taxable value was \$4,066,477,838. About 6.4% of that value was agricultural. Its department has 58 sworn officers.

From the data in the record it is concluded that neither Macomb, Oakland nor Wayne Counties can be considered comparable to St. Clair County. For instance, keeping in mind St. Clair's population of about 158,000, it is noted that Wayne has over two million, Oakland over one million, and Macomb 783,000. The population density shows even a more diverse picture. Using 1990 figures, Macomb was about 1,500, Oakland about 1,200, and Wayne about 3,400 persons per square mile. This compares to St. Clair's 201. In Oakland the 1989 per capita income was \$21,000, while in Macomb it was \$16,000 and Wayne was \$13,000. The 1998 taxable valuation has Macomb at \$20,119,575,310, Oakland at \$43,056,834,294, and, finally, Wayne at \$36,353,298,746. Again, comparing these figures to St. Clair County's 1998 taxable value of

\$4,066.477,838, strongly suggests that Macomb, Oakland and Wayne Counties are just not comparable to St. Clair County. In the area of department size and keeping in mind that St. Clair County has 58 sworn officers, Wayne has 789, Oakland 683, and Macomb 188. So as previously stated, while there may be other reasons to look at the wages, hours and conditions of employment existing in these counties, they are not comparable to St. Clair County for the purposes of this arbitration.

The question then becomes: Which communities can be considered comparable to St. Clair County for the purpose of this arbitration? It is noted that the parties have agreed that Monroe County is comparable. The data from Monroe shows a 1997 estimated population of 142,301. In 1990 it was 44% urban, 56% rural, and had a population density of 242 persons per square mile. The 1995 median income was \$46,000 and the 1989 per capita income was \$13,900. The 1990 median house value was \$67,200, and the 1998 taxable value was \$4,161,614,522; 5.2% of that was agricultural and it has 91 sworn officers. Given the data, it is understandable that the parties consider Monroe County comparable.

If we look at just geographical locations, it is noted that Jackson, Livingston, Saginaw and Bay Counties are about as close to St. Clair County as Monroe County is. Starting first with Jackson and noting the dates on which the data was related to, as indicated above, the population was 155,346, 52% of that was urban, 48% was rural and the population density was 211 persons per square mile. The median household income was \$35,963, with per capita income of

\$12,556. The median home value was about \$47,900 and the taxable value was \$2,477,153,003. It has 54 sworn officers and an agricultural value as percentage of taxable value of 7.4%. It would not be inappropriate to consider Jackson comparable to St. Clair County for the purposes of this arbitration.

Livingston County had a population of 141,914; 16% of that was urban, 84% was rural. It had a density of 203 persons per square mile and a household income of \$58,349. The per capita income was \$17,327, median house value \$97,300. Its taxable value was \$4,227,187,802, 2.9% of that being agricultural. It has a department of 64 sworn officers. While certainly there are some differences and Livingston County appears to have greater median household income, per capita income, and median house value, it nonetheless, given the other data, should be considered comparable to St. Clair County for the purposes of this arbitration.

Saginaw County is as close to St. Clair County as Monroe County, with a population of 211,278; 69% urban, 31% rural, and the density was 261 persons per square mile. The median household income was \$33,491, with the per capita income being \$12,355. The median house value was \$48,100, with taxable value being \$3,672,366,453; 7.3% of that value was agricultural and the department has 96 sworn officers. While, again, the data isn't a perfect fit, viewing it in total establishes that Saginaw County should be considered comparable to St. Clair County for the purposes of this arbitration.

Geographically speaking, Bay County is about as close to St. Clair County as Monroe County is. Its population was 110,423, 66% of which was urban, 34% rural. Density was 51 persons per square mile, with a median household income of about \$34,363. Its per capita income was \$12,597; median house value \$44,100, and taxable value was \$2,043,139,053, 8% of which was agricultural and the department has 35 sworn officers. The data suggests that Bay County is barely comparable to St. Clair County and perhaps should be considered second tier comparability, along with Lapeer County which will be analyzed next.

Lapeer County does border St. Clair County which certainly has some value in a comparability analysis, but its population was only approximately 87,000, 14% of which was urban, 86% rural. Its density was 114 persons per square mile. Median household income was \$40,833, and the per capita income was \$13,313, and median household value was about \$62,300. The total taxable value was \$2,026,584,049, 10.4% of which was agricultural. The number of total sworn officers is 34. While it is true that there is some significance to the fact that Lapeer County borders St. Clair County, it would be appropriate to place it in the second tier of comparables, i.e., Bay County.

The Counties of Muskegon, Allegan and Berrien are not included in the category of comparable communities because they are fairly remote from St. Clair County. Indeed, they border on Lake Michigan. This is significant because whatever impact geographical location has is lost on these three counties. The same holds true

for Eaton and Calhoun Counties. Even though they border Jackson County, they are still remote from St. Clair County, and as in the case of Muskegon, Allegan and Berrien Counties, the data regarding the specific characteristics is not so convincing as to supersede the geographical difference.

As a result, for the purposes of this arbitration, the primary comparables utilized in the analysis will be: Saginaw County, Livingston County, Jackson County and Monroe County. In addition, the second tier of comparables will be Bay County and Lapeer County. It is noted that the cities of Marysville and Port Huron are included within St. Clair County and, arguably, even though their political structure is different, the data regarding the wages, hours and conditions of employment existing in those two cities may be considered. As far as the Counties of Macomb, Oakland and Wayne, they will be considered as part of the benchmark, but as indicated above, they are not comparable to St. Clair County for the purposes of this arbitration.

CPI

One of the factors outlined in Section 9 of the statute to be considered in determining which last offer of settlement should be accepted is the average consumer price for goods and services, commonly known as the cost of living.

The data supplied by the Employer begins with the period August 1991 and ending with August 1999. The data shows that according to its calculations, the CPI increased by 21.73% during that period. It also points out that during that period the wage

rate for a deputy, which was \$36,400 on July 1, 1990, will have risen to, if the Employer's last offer of settlements are accepted, to \$45,419 as of July 1, 1988, for a total increase of 24.77%. Thus, the Employer suggests that the deputies have actually increased their purchasing power over the last eight years.

The Union's data suggests otherwise. It suggests that from the period July 1, 1993 to June 30, 1996, the deputies have actually lost \$2,122.89 worth of purchasing power. It suggests that in order for the deputies to remain even with regard to purchasing power, the salary rate as of 7/1/98, would have to be \$47,930.

It is noted that all the data is based upon CPI - Urban Wage Earners and Clerical Workers Detroit SMSA.

The panel has carefully considered this data.

WAGES

As previously indicated, the issues regarding wages are economic. As a result, the panel must select one or the other party's last offer of settlement. Furthermore, the parties submitted a last offer of settlement for each year of the contract, with each to be decided separately. It must be noted that the analysis will be based upon the top paid deputy. This is true even though the classifications include communications officer, deputy and detective, with six rates beginning with "start" and increasing each year until the top rate at year five. The parties agreed that there would be full retroactivity.

It must be kept in mind that the involved contracts may cover periods differing from St. Clair, such as calendar year period. All figures are those existing as of 7/1 of the years in question.

As of 7/1/95, and thus through 6/30/96, a top paid deputy in St. Clair County had a salary of \$43,438. In Saginaw County the figure as of 7/1/95 was \$34,905, while in Monroe County it was \$36,936, in Jackson County \$36,213, and in Livingston County \$35,181. The average is \$35,809. Thus, the top paid deputy in St. Clair County was receiving about \$7,629 more than the average of a top paid deputy in Saginaw, Monroe, Jackson or Livingston Counties. Marysville was at a salary of \$43,486, while Port Huron's salary was \$39,474 for an average of \$41,480. A deputy in St. Clair County received about \$1,958 more than the average. In Lapeer County a top paid deputy received \$30,112, while in Bay County it was \$35,664, for an average of \$32,888. A deputy in St. Clair County received \$10,550 more than the average in Lapeer and Bay Counties.

Indeed, even when considering Macomb, Wayne and Oakland Counties, the average salary for a top paid deputy was \$41,065. St. Clair County deputies were receiving \$2,373 more than the average in the three counties mentioned.

With the exception of Marysville, whose salary rate far exceeded that of the larger city of Port Huron, a deputy in St. Clair County received a higher rate of pay than any deputy in any of the counties, with the exception of Oakland where the rate was \$43,475, and an officer in Marysville where it was \$43,486.

As a result, when evaluating the data it seems the question isn't whether the deputies in St. Clair County should be paid the same or a comparable salary to those in the comparable communities, but how much more should a deputy in St. Clair County continue to receive?

In analyzing this situation we must understand that the deputies in St. Clair County didn't get in this position on their own. While there was some explanation that a cost of living provision had escalated their salary rate, the fact is that it was many years ago that the provision was eliminated from the Collective Bargaining Agreement. As a result, the subsequent increases were either arrived at through negotiations or through arbitration.

Generally these types of issues are best dealt with during negotiations where the give-and-take of bargaining can be utilized to sculpture areas of the contract which the parties feel should be addressed.


FIRST YEAR WAGES - EFFECTIVE 7/1/96

The last offers of settlement filed by the parties are attached to these Findings of Fact, Opinion and Orders. In the first year of the Collective Bargaining Agreement the parties have agreed that effective July 1, 1996 all communications officers, deputies and detectives will receive an across-the-board 2.5% increase at each step. This means that a top paid deputy's wage rate will be \$44,524. While it is noted that the wage rate effective 7/1/95 was \$7,629 higher than the average of Saginaw,

Monroe, Jackson and Livingston Counties, the agreed-to settlement effective 7/1/96 would actually increase that difference to \$7,772. Keeping in mind the difference between the average between Lapeer and Bay Counties and the top paid deputy rate effective 7/1/95 of \$10,550, it is noted that the difference between the average in Lapeer and Bay Counties effective 7/1/96 is \$10,495 under the \$44,524 rate the parties have adopted.

ORDER - WAGES EFFECTIVE 7/1/96

The wage increases represented by the parties' identical last offers of settlement for the wage rates effective on 7/1/96 shall forthwith be adopted by the panel, i.e., 2.5% increase at all levels for communications officers, deputies and detectives, effective 7/1/96.

 5-16-2000
Mario Chiesa
Neutral Chairperson

- SUPPORT
Union Delegate
WILLIAM BIRDSEYE FOR JAMES TIGNANEL
151 Support
Employer Delegate

SECOND YEAR - WAGES - EFFECTIVE 7/1/97


As indicated in the attachment, the Union's last offer of settlement seeks a 2.5% increase through all classifications at all levels. Adoption of the Union's last offer would establish a wage rate for the highest paid deputy of \$45,637. The Employer's last offer of settlement seeks a 2.5% increase for all levels of a communications officer, 2.5% increase for a deputy at the start, one-year and two-year rate, with 1% at the three-year, four-year

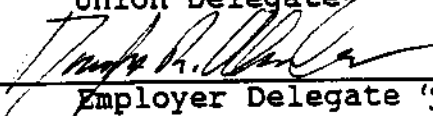
Monroe, Jackson and Livingston Counties, the agreed-to settlement effective 7/1/96 would actually increase that difference to \$7,772. Keeping in mind the difference between the average between Lapeer and Bay Counties and the top paid deputy rate effective 7/1/95 of \$10,550, it is noted that the difference between the average in Lapeer and Bay Counties effective 7/1/96 is \$10,495 under the \$44,524 rate the parties have adopted.

ORDER - WAGES EFFECTIVE 7/1/96

The wage increases represented by the parties' identical last offers of settlement for the wage rates effective on 7/1/96 shall forthwith be adopted by the panel, i.e., 2.5% increase at all levels for communications officers, deputies and detectives, effective 7/1/96.


Mario Chiesa
Neutral Chairperson


Union Delegate


Employer Delegate "Support"

SECOND YEAR - WAGES - EFFECTIVE 7/1/97

As indicated in the attachment, the Union's last offer of settlement seeks a 2.5% increase through all classifications at all levels. Adoption of the Union's last offer would establish a wage rate for the highest paid deputy of \$45,637. The Employer's last offer of settlement seeks a 2.5% increase for all levels of a communications officer, 2.5% increase for a deputy at the start, one-year and two-year rate, with 1% at the three-year, four-year

and five-year rate, and a 1% increase for a detective at all levels. This would mean that a top paid deputy would receive \$44,969.

In looking at the average percentage increases, it is noted that in the comparable communities the average increase from 7/1/95 to 7/1/96 was 2.6% and from 7/1/96 to 7/1/97 was 2.9%. In the lesser comparable communities of Lapeer and Bay Counties, the increases were 3.5% and 3% respectively. The figures for Marysville and Port Huron are 3.7% and 3.7%. Everyone must understand, however, that it would take a larger percentage increase applied on a smaller base to equal a smaller percentage increase applied to a higher base.

Nonetheless, when comparing the offers to the average salary rates in the comparable communities, which on 7/1/97 was \$37,810, it is noted that the Union's last offer of settlement provides a differential of \$7,827, while the Employer's would provide a differential of \$7,159. In other words, the Employer's offer would cut the gap from the prior year by about \$600, while the Union's last offer of settlement slightly increases it. Both would still place the top paid deputy in St. Clair County above all others, with the exception of Marysville and Oakland County. The Union's salary rate is about \$10,587 above the average of Lapeer County and Bay County, while the Employer's is about \$9,913. These are compared to the prior years' spread of \$10,495.

When the analysis regarding the comparable communities is combined with all the other evidence, including the CPI data, it is

the panel's decision that the Union's last offer of settlement must be adopted. It is more than the Employer's, but comports with the historical data, and while it is recognized that there is a slight widening of the gap, there is still the third year of the contract to be resolved.

ORDER - WAGES - EFFECTIVE 7/1/97

The panel adopts the Union's last offer of settlement.

Mario Chiesa 5-16-2000
Mario Chiesa
Neutral Chairperson
- SUPPORT
Union Delegate
William Birdseye FOR JAMES TONANELLI
B. J. Dineen
Employer Delegate

THIRD YEAR WAGES - EFFECTIVE 7/1/98

The Union's last offer of settlement is, again, a 2.5% across-the-board increase. The Employer's last offer of settlement is 2.5% for every level of a communications officer, 2.5% for the first three levels of deputy and then 1% for the remaining three levels, and 1% for all levels of detective. Thus, regardless of whose last offer of settlement is adopted, a communications officer shall receive an across-the-board increase of 2.5%. Thus, a top paid communications officer will receive \$30,677 under either party's last offer of settlement.

The panel construes the last offers of settlement as being the percentage increase sought by the parties, not the dollar figures attached thereto. Since the parties agreed that each year of the contract would be a separate issue, the percentage increases are

the panel's decision that the Union's last offer of settlement must be adopted. It is more than the Employer's, but comports with the historical data, and while it is recognized that there is a slight widening of the gap, there is still the third year of the contract to be resolved.

ORDER - WAGES - EFFECTIVE 7/1/97

The panel adopts the Union's last offer of settlement.

Mario Chiesa 5-16-2000
Mario Chiesa
Neutral Chairperson

14
Union Delegate

Joseph R. Miller
Employer Delegate "Dissent"

THIRD YEAR WAGES - EFFECTIVE 7/1/98

The Union's last offer of settlement is, again, a 2.5% across-the-board increase. The Employer's last offer of settlement is 2.5% for every level of a communications officer, 2.5% for the first three levels of deputy and then 1% for the remaining three levels, and 1% for all levels of detective. Thus, regardless of whose last offer of settlement is adopted, a communications officer shall receive an across-the-board increase of 2.5%. Thus, a top paid communications officer will receive \$30,677 under either party's last offer of settlement.

The panel construes the last offers of settlement as being the percentage increase sought by the parties, not the dollar figures attached thereto. Since the parties agreed that each year of the contract would be a separate issue, the percentage increases are

considered by the panel to be the last offer of settlement because the wage rates attributed to the increases are dependent upon which offer was accepted in the prior year. That would be nonsensical. For instance, if the Employer's last offer of settlement was the \$45,419 outlined in its last year statement of the wage offer, then adoption of that position would result in a wage decrease in the last year of the contract. If that were the case, the chairperson would vote for the Union's last offer. However, it seems that no one interprets the Employer's offer in that fashion. If the 1% increase sought by the Employer is adopted, then the increase would lead to a wage rate of \$46,093 for a top paid deputy.

If the Union's last offer of settlement is adopted, the top paid deputy's salary rate would rise to \$46,778. If the Employer's last offer of settlement is adopted, the 2.5% increase will be applied to all levels of communications officer, as previously indicated, and the first three levels of a deputy rank, with a 1% increase being applied to the last three levels of a deputy rank and all levels of a detective rank.

As indicated, the 1% increase sought by the Employer would lead to a wage of \$46,093. This compares to the Union's wage rate which would be \$46,778. Considering that the average of the comparable communities is \$38,704, the Union's last offer of settlement would establish a differential of \$8,074, while the Employer's would establish a differential of \$7,389. While the \$7,389 is a reduction from the prior year, it is a slight reduction, and is more in keeping with the differential on 7/1/95

of \$7,629, as well as the differential on 7/1/96 of \$7,772. The Union represents an increase in the differential which certainly doesn't seem to be warranted under the circumstances. Furthermore, when compared with Marysville and Port Huron, it is noted that the average of those two communities is \$45,998, which means, of course, the Employer's last offer of settlement would still be higher than the average of those two communities even though Marysville has had extremely substantial wage increases over the years. As far as the average of Lapeer and Bay Counties, the Union's last offer of settlement would increase the differential, while the Employer's would slightly decrease it. Again, there is no reason to increase the differential even slightly so.

Either last offer of settlement would decrease the differential between the highest paid deputy in St. Clair County, i.e., \$46,093, and the average for a deputy in Wayne, Oakland or Macomb Counties of \$44,945. Nonetheless, the salary rate in St. Clair County would still exceed the average in those three counties.

It is also noted that the \$46,093 salary rate would be higher than any other rates in the comparable communities and, in fact, all the communities with, again, the exception of Oakland County and Marysville.

When the above data is added to the other evidence in the record, including the CPI evidence, it is clear that the Employer's last offer of settlement, as defined above, must be adopted.

ORDER - WAGES - EFFECTIVE 7/1/98

The panel adopts the Employer's last offer of settlement effective 7/1/98, which means that communications officers shall receive a 2.5% across-the-board increase, while deputies shall receive a 2.5% increase for the first three levels, and a 1% increase for the last three levels, and a detective shall receive a 1% increase for all levels.

M. Chiesa 5-16-2000
Mario Chiesa
Neutral Chairperson

- DISSENT
Union Delegate
WILLIAM BIRDSEYE FOR JAMES TIGNANELLI

- Support
Employer Delegate

MISCELLANEOUS

The award in this matter shall be comprised of the above orders on the only outstanding issues, along with all the TA's agreed to by the parties, and the language in the prior Collective Bargaining Agreement which has not been altered by the parties' TA's or the awards contained herein.

M. Chiesa 5-16-2000
Mario Chiesa
Neutral Chairperson

- SUPPORT
Union Delegate
WILLIAM BIRDSEYE FOR JAMES TIGNANELLI

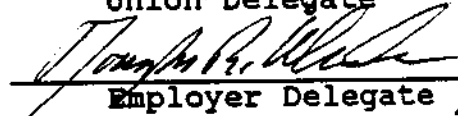
Employer Delegate

ORDER - WAGES - EFFECTIVE 7/1/98

The panel adopts the Employer's last offer of settlement effective 7/1/98, which means that communications officers shall receive a 2.5% across-the-board increase, while deputies shall receive a 2.5% increase for the first three levels, and a 1% increase for the last three levels, and a detective shall receive a 1% increase for all levels.


Mario Chiesa
Neutral Chairperson

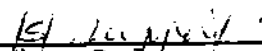

Union Delegate

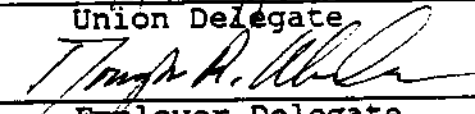

Employer Delegate "Support"

MISCELLANEOUS

The award in this matter shall be comprised of the above orders on the only outstanding issues, along with all the TA's agreed to by the parties, and the language in the prior Collective Bargaining Agreement which has not been altered by the parties' TA's or the awards contained herein.


Mario Chiesa
Neutral Chairperson


Union Delegate


Employer Delegate

IN THE MATTER OF
ARBITRATION UNDER ACT 312
PUBLIC ACTS OF 1969
AS AMENDED

BEFORE: MARIO CHIESA, ESQ.

COUNTY OF ST. CLAIR

- and -

MERC Case No: D97 J-1470

POLICE OFFICERS ASSOCIATION
OF MICHIGAN

AMENDED
UNION'S FINAL OFFER
OF SETTLEMENT

Police Officers Association
of Michigan
27056 Joy Road
Redford, MI 48239-1949
(313) 937-9000

ARBITRATION ISSUE

ECONOMIC ISSUE

Union/Employer

1. Wages - Deputy, Detective, Communications Officer

ISSUE #1

WAGES

PRESENT:

ARTICLE XXXVIII
SALARY

Effective July 1, 1993

<u>CLASSIFICATION</u>	<u>START</u>	<u>1 YEAR</u>	<u>2 YEARS</u>	<u>3 YEARS</u>	<u>4 YEARS</u>	<u>5 YEARS</u>
Communications						
Officer	\$20,720	\$21,731	\$22,793	\$23,912	\$24,781	\$25,838
Deputy	25,343	27,895	30,704	33,796	37,199	40,945
Detective	36,050	37,514	38,869	40,366	41,911	43,534

Effective July 1, 1994

<u>CLASSIFICATION</u>	<u>START</u>	<u>1 YEAR</u>	<u>2 YEARS</u>	<u>3 YEARS</u>	<u>4 YEARS</u>	<u>5 YEARS</u>
Communications						
Officer	\$21,756	\$22,817	\$23,933	\$25,107	\$26,020	\$27,130
Deputy	26,103	28,732	31,625	34,809	38,315	42,173
Detective	37,131	38,639	40,035	41,576	43,168	44,840

Effective July 1, 1995

<u>CLASSIFICATION</u>	<u>START</u>	<u>1 YEAR</u>	<u>2 YEARS</u>	<u>3 YEARS</u>	<u>4 YEARS</u>	<u>5 YEARS</u>
Communications						
Officer	\$22,843	\$23,958	\$25,130	\$26,363	\$27,321	\$28,487
Deputy	26,886	29,593	32,573	35,854	39,464	43,438
Detective	38,245	39,798	41,236	42,824	44,463	46,186

UNION'S FINAL OFFER OF SETTLEMENT:

ARTICLE XXXVIII
SALARY

Effective July 1, 1996

	(2.5%)	(2.5%)	(2.5%)	(2.5%)	(2.5%)	(2.5%)
<u>CLASSIFICATION</u>	<u>START</u>	<u>1 YEAR</u>	<u>2 YEARS</u>	<u>3 YEARS</u>	<u>4 YEARS</u>	<u>5 YEARS</u>
Communications						
Officer	\$23,414	\$24,557	\$25,758	\$27,022	\$28,004	\$29,199
Deputy	27,558	30,333	33,387	36,750	40,451	44,524
Detective	39,201	40,793	42,267	43,895	45,575	47,341

Effective July 1, 1997

	(2.5%)	(2.5%)	(2.5%)	(2.5%)	(2.5%)	(2.5%)
<u>CLASSIFICATION</u>	<u>START</u>	<u>1 YEAR</u>	<u>2 YEARS</u>	<u>3 YEARS</u>	<u>4 YEARS</u>	<u>5 YEARS</u>
Communications						
Officer	\$23,999	\$25,171	\$26,402	\$27,698	\$28,704	\$29,929
Deputy	28,247	31,091	34,222	37,669	41,462	45,637
Detective	40,181	41,813	43,324	44,992	46,714	48,524

Effective July 1, 1998


	(2.5%)	(2.5%)	(2.5%)	(2.5%)	(2.5%)	(2.5%)
<u>CLASSIFICATION</u>	<u>START</u>	<u>1 YEAR</u>	<u>2 YEARS</u>	<u>3 YEARS</u>	<u>4 YEARS</u>	<u>5 YEARS</u>
Communications						
Officer	\$24,599	\$25,800	\$27,062	\$28,390	\$29,422	\$30,677
Deputy	28,953	31,868	35,078	38,611	42,498	46,778
Detective	41,186	42,858	44,407	46,117	47,882	49,737

Salary to be retroactive to July 1, 1996 for all hours compensated.

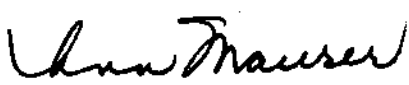
Wherefore, the Final Offer of Settlement of the Union is
tendered in good faith and upon careful consideration.

Respectfully submitted,

POLICE OFFICERS ASSOCIATION
OF MICHIGAN



William Birdseye
Advocate



Ann Maurer
Labor Economist

DATE: January 17, 2000

WAGE OFFER YEAR 1 - 7/1/96 - 6/30/97

Effective 7/1/96	<u>Start</u>	<u>1 Year</u>	<u>2 Year</u>	<u>3 Year</u>	<u>4 Year</u>	<u>5 Year</u>
Communications Officer	2.5% \$23,414	2.5% \$24,557	2.5% \$25,758	2.5% \$27,022	2.5% \$28,004	2.5% \$29,199
Deputy	2.5% \$27,558	2.5% \$30,333	2.5% \$33,387	2.5% \$36,750	2.5% \$40,451	2.5% \$44,524
Detective	2.5% \$39,201	2.5% \$40,793	2.5% \$42,267	2.5% \$43,895	2.5% \$45,576	2.5% \$47,341

WAGE OFFER YEAR 2 - 7/1/97 - 6/30/98

Effective 7/1/97	<u>Start</u>	<u>1 Year</u>	<u>2 Year</u>	<u>3 Year</u>	<u>4 Year</u>	<u>5 Year</u>
Communications Officer	2.5% \$23,999	2.5% \$25,171	2.5% \$26,402	2.5% \$27,698	2.5% \$28,704	2.5% \$29,929
Deputy	2.5% \$28,247	2.5% \$31,091	2.5% \$34,222	1.0% \$37,118	1.0% \$40,856	1.0% \$44,969
Detective	1.0% \$39,593	1.0% \$41,201	1.0% \$42,690	1.0% \$44,334	1.0% \$46,032	1.0% \$47,814

WAGE OFFER YEAR 3 - 7/1/98 - 6/30/99

Effective 7/1/98	<u>Start</u>	<u>1 Year</u>	<u>2 Year</u>	<u>3 Year</u>	<u>4 Year</u>	<u>5 Year</u>
Communications Officer	2.5% \$24,599	2.5% \$25,800	2.5% \$27,062	2.5% \$28,390	2.5% \$29,422	2.5% \$30,677
Deputy	2.5% \$28,953	2.5% \$31,868	2.5% \$35,078	1.0% \$37,489	1.0% \$41,265	1.0% \$45,419
Detective	1.0% \$39,989	1.0% \$41,613	1.0% \$43,117	1.0% \$44,777	1.0% \$46,492	1.0% \$48,293