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**STATE OF MICHIGAN
DEPARTMENT OF LABOR
MICHIGAN EMPLOYMENT RELATIONS COMMISSION**

Arbitration Under 1969 P.A. 312, as amended:

**COUNTY OF SANILAC AND THE
SANILAC COUNTY SHERIFF,**

Employer,

-and-

Case No. D90 G-1084

**POLICE OFFICERS ASSOCIATION
OF MICHIGAN,**

Labor Organization.

ARBITRATION PANEL:

**Donald F. Sugerman, Impartial Arbitrator and Chairperson
Matthew S. Derby, Esq., County's Delegate
Gordon Evans, Union's Delegate**

CHRONOLOGY OF EVENTS:

The last collective bargaining agreement between the parties was for the period January 1, 1989, through December 31, 1989; a number of bargaining sessions were held in 1989 and 1990; an all day mediation session was held on December 17, 1985; the Act 312 Petition giving rise to this case was filed by the Union on January 18, 1991; the City filed its Answer on February 20, 1991; the Chairperson was appointed by the Commission on May 21, 1991; a pre-hearing was held by telephone conference call on August 16, 1991; the hearing was held on November 14, 1991, at the offices of the Commission in Detroit; Last Final Offers were received by January 15, 1992; the Panel held a meeting on February 10, 1992; this Award issued February 10, 1992.

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STATE OF MICHIGAN
DEPARTMENT OF LABOR
MICHIGAN EMPLOYMENT RELATIONS COMMISSION

AWARD

Introduction

At the pre-hearing conference and at the hearing, the parties narrowed the substantive issues to be submitted to arbitration in this Act 312 proceeding. They are:

1. Wages
2. Personal Leave Days
3. Shift Premium
4. Vacation Days
5. Dental/Optical Plan
6. Health Insurance for Retirees

There was mutual agreement on the term of the new collective bargaining contract; it will be for three years starting January 1, 1990 and ending December 31, 1992. It was further agreed that the provisions of the 1989 Agreement, as modified by subsequent agreements made during negotiations leading to this proceeding will become a part of the new contract, with appropriate changes in dates.

Criteria for Decision

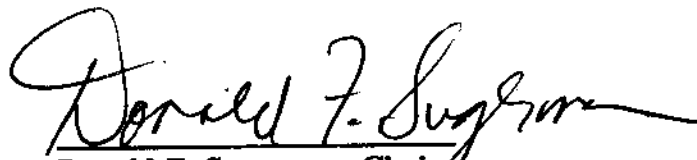
The Statute (Section 9) requires the Panel to "base its findings, opinions and order upon the following factors, as applicable:

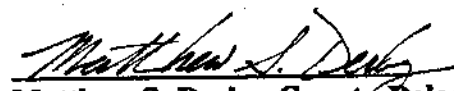
- (a) The lawful authority of the employer.
- (b) Stipulations of the parties.
- (c) The interests and welfare of the public and the financial ability of the unit of government to meet those costs.
- (d) Comparison of the wages, hours and conditions of employment of the employees involved in the arbitration 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 process.
- (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.

1. WAGES (Art. LVIII-Economic)

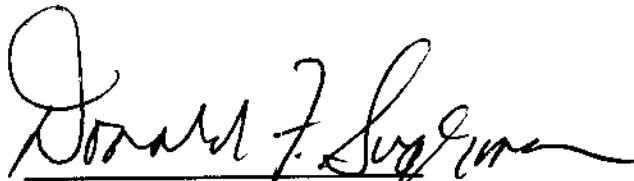
A. The Union proposes an across-the-board increase the first year (calendar 1990) of 4% The County proposes that there be no increase. Considering the County's fiscal condition, the mandated criteria requires Panel to find the County's offer as the most reasonable one and it is adopted.

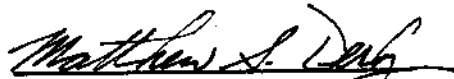

Donald F. Sugerman, Chairperson

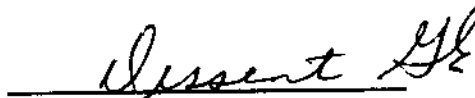

Matthew S. Derby, County Delegate


Gordon Evans, Union Delegate

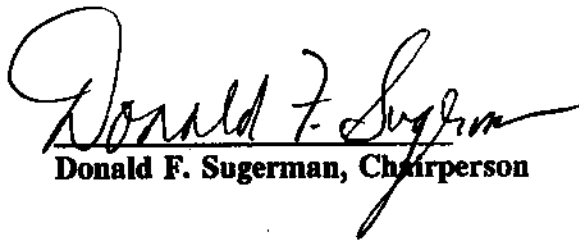
B. For the second year of the contract (calendar 1991) the Union proposes a 4% across-the-board increase. The County proposes a 3.5% increase. The County's dismal economic situation did not improve significantly in 1991, and considering the criteria of the statute, wisdom suggests that a conservative approach be followed. Therefore, the County's offer will be accepted.


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C. In the final year of the contract (calendar 1992) the Union requests a 4.5% across-the-board increase and the County proposes a 3.5% increase. It is always dangerous to predict the future. In balancing the needs of employees for a wage that will permit them to maintain standards against the County's fiscal situation, the pendulum in the last year swings toward the Union's offer. The ten year average of the cost-of-living suggests that an increase of 4.5% is most realistic will enable employees to, at least, keep pace with inflation. The Union's offer is accepted.

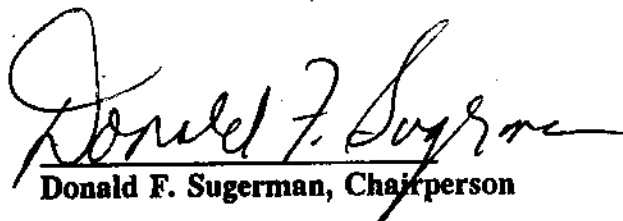

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2. PERSONAL LEAVE DAYS (Art. XLVII-Economic)

Under the current agreement employees are entitled to two personal leave days and, at the discretion of the Sheriff, one additional day may be granted (taking into consideration the criteria set forth in the section) be deducted from the employee's accumulated sick leave balance. The Union proposes to increase the number of personal days to three (without deduction for the third). The Employer proposes to maintain the status quo. The criteria when considered as a whole indicate that the equities are with the Union on this issue. While there is a cost for this increase it is minimal. Accordingly, the Union's offer will be accepted.

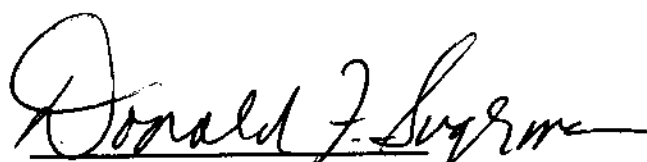

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3. Shift Premium (Art. XXX - Economic)

Unit employees who work on the afternoon shift receive a premium of \$.20 per hour and those on the midnight shift are paid a premium of \$.30 per hour. The Union proposes to increase these amounts by \$.10. The Employer seeks to maintain the status quo. Of all the comparable communities nominated by either party, most do not provide shift differentials. Of those that do, only two have amounts higher than that paid by the Employer, and they are only modestly higher. Based upon the Section 9 criteria of the statute, the Panel concludes that the Employer's offer should prevail and it is adopted.

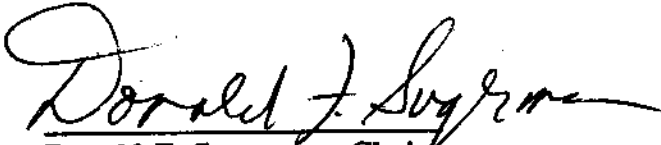

Donald F. Sugerman, Chairperson

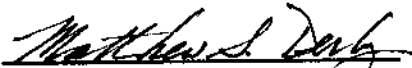

Matthew S. Derby, County Delegate

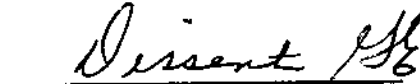

Gordon Evans, Union Delegate

4. Vacation Days (Art. XLI - Economic)

There is currently a progression. The Union would maintain the system for Employees with 1, 2, 4, and 7 years of service who earn 5, 10, 15, and 20 days respectively. It proposes an acceleration of 8, 9, 10, and 15 years to receive 21, 22, 23, and 25 days respectively. The County would adhere to the present vacation schedule of employees with 10, 15, and 20 years earning 21, 23, and 25 days respectively. Unit employees with eight years and more of service receive more favorable treatment on vacation entitlement than employees in almost all of the communities nominated by both parties as comparable. Only one community provides more time off and two others are higher on some of the range and lower on other parts of it. This factor and the prevailing economic condition require the Panel to adopt the County's proposal.


Donald F. Sugerman, Chairperson

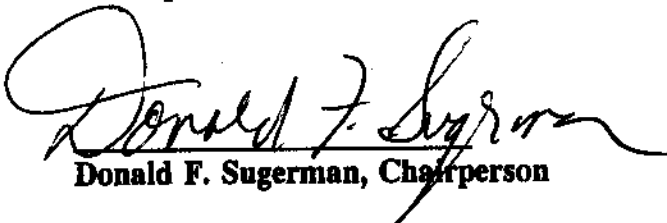

Matthew S. Derby, County Delegate


Gordon Evans, Union Delegate


5. Optical/Dental Insurance (Art. XLVI - Economic)

The Union proposes the County pay the full premium for Blue Cross and Blue Shield Vision Care Program (covering employee, spouse, and dependents) and for dental coverage (100% of Class I benefits and 50% of Class II and III benefits with a cap of \$1000.00 per person per contract year). The County proposes the status quo - a dental/optical allowance of a lump sum payment of \$250.00 per year.

While it is true that in about half of the counties nominated as being comparable to Sanilac there is generally some form of dental insurance, the other half have either no such coverage or very limited coverage. With regard to vision care, it is somewhat less inclusive than dental among the nominees. This being the case there is certainly not a mandate for awarding such coverage. When this cost is superimposed on the County's financial condition, improving the dental/optical coverage cannot be realistically imposed at this time. The County's proposal will be adopted.


Donald F. Sugerman, Chairperson


Matthew S. Derby, County Delegate


Gordon Evans, Union Delegate

6. Retiree Health Insurance (Economic)

The Agreement does not currently provide for this type of benefit. The Union proposes a new section of the contract to read as follows:

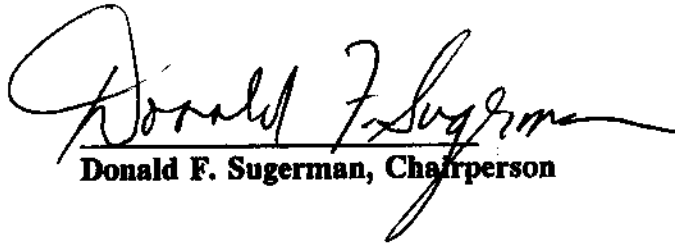
ARTICLE XLVI HOSPITALIZATION MEDICAL COVERAGE

46.4: Effective [with the date of award] the Employer will pay 80% of the premium for Blue Cross-Blue Shield medical coverage equal to that provided to active employees for employees separating after [date of award] with a normal age and service retirement or duty disability retirement. Such retiree must make application for Medicare upon earliest eligibility. After such time, the Employer's liability shall be limited to providing the Medicare filler for the retiree only. For any period that a retiree is eligible for health insurance coverage through his/her spouse's employment or retirement, the County of Sanilac shall not be obligated to provide Blue Cross-Blue Shield medical coverage.

The County vigorously opposes this benefit.

As many reports have indicated, the increase in the costs for health are outstripping (by far) the costs--on a percentage basis--for every other purchase made by the American people. Since retirees are generally on fixed incomes, and because they are prime users of health care benefits, they must bear this burden themselves at a time when they can least afford to do so.

While only about a third of those communities nominated by both parties as comparable to Sanilac provide this benefit, equity considerations require that the Union's proposal be adopted. In addition, the cost to the County should be negligible during the term of this contract. Thus, it will have several years of hopefully improved economic conditions before it will have to make any outlay for this benefits.


Donald F. Sugerman, Chairperson


Matthew S. Derby, County Delegate


Gordon Evans, Union Delegate

SUMMARY OF AWARD

1. Wages for 1990 will be the same as for 1989.
Wages for 1991 will be increased by 3.5%
Wages for 1992 will be increased by 4.5%
2. A 3rd personal leave day will become optional for employees rather than discretionary by the Sheriff. The leave days will not be deducted from sick leave.
3. The shift premium will remain unchanged.
4. Vacation day entitlement will be unchanged.
5. The Dental/Optical Plan will be unchanged.
6. Health Insurance for eligible employees retiring after the date of this award will be paid by the County.

February 10, 1992