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STATE OF MICHIGAN  
DEPARTMENT OF LABOR  
EMPLOYMENT RELATIONS COMMISSION  
ARBITRATION UNDER ACT 312 PUBLIC ACTS OF 1969 AS AMENDED

In the Matter of:

COUNTY OF WASHTENAW  
SHERIFF'S DEPARTMENT

-and-

MERC Case No. D97 J-1459

POLICE OFFICERS ASSOCIATION  
OF MICHIGAN

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**FINDINGS OF FACT, OPINIONS,  
ORDERS AND AWARD OF ARBITRATION PANEL**

**ARBITRATION PANEL**

George T. Roumell, Jr., Chairman  
Melvin J. Muskovitz, City Delegate  
Kenneth E. Grabowski, Association Delegate

**APPEARANCES:**

FOR THE COUNTY OF  
WASHTENAW:

Melvin J. Muskovitz, Attorney

FOR THE POLICE OFFICERS ASSOCIATION  
OF MICHIGAN:

Kenneth E. Grabowski, Business Representative

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STATE OF MICHIGAN  
EMPLOYMENT RELATIONS COMMISSION  
DETROIT OFFICE

## INTRODUCTION

By letter dated May 24, 1999 to the Panel Delegates and to Diane H. Buisch, Labor Relations Manager, Washtenaw County, the Chairman of the Panel circulated a draft opinion. the letter read:

I am enclosing a draft copy of my Findings of Fact, Opinions and Orders of Arbitration panel in the above matter.

Would you please review same so that we can have a telephone conference. I suggest Thursday May 27, 1999 at about 9:00 a.m. Please advise my secretary, Barb Sabo, if this is feasible.

It was clear that this was a draft opinion; that the Chairman, because of the complexities of this matter, was seeking input as the statute provides from the Delegates, as well as to assure that the tentative agreements reached complied with the Chairman's understanding. Unfortunately, certain draft was circulated wider than was the intention of the Chairman. Those who participated in the circulation (and they were not parties to whom the draft was sent) misconceived that the Opinion was a draft, may have made unfortunate comments, and failed to understand the process. Furthermore, the draft had no signature on it.

As matters turned out, the Opinion that follows provides in the year 2000 for a greater wage increase than was in the draft. Likewise, it accelerates the clothing and maintenance allowance. The Chairman believed it was necessary to begin this Opinion this way so that all who participated in the circulation should understand that the circulation was unauthorized.

Furthermore, but for the able leadership of the Local and its President, as well as the Business Representative for the Police Officers Association of Michigan, the results here would never have come about. Likewise, the County's Delegate gave wise counsel. And through the

efforts of both the Delegate of the County and the POAM, with input from the Local leadership, as well as the County's Labor Relations/Human Resource Manager, a result has been reached here that, in the view of the Chairman, is beneficial to both the membership of the POAM in the Washtenaw County Sheriff's Department and the County.

The parties just mentioned are to be congratulated for their statesmanship and what this Chairman has concluded was a most difficult negotiation situation.

The above comments are the view of the Chairman and should be made known to all parties involved.

### **BACKGROUND**

The Collective Bargaining Agreement between Washtenaw County Board of Commissioners and Washtenaw County Sheriff and the Police Officers Association of Michigan, for the period January 1, 1995 to December 31, 1997, covering the bargaining unit of Washtenaw County Sheriff Department employees, including Road Patrol and Correction Officers, expired. The parties engaged in negotiations for a successor agreement, but reached impasse. As a result, the Police Officers Association filed a petition for compulsory arbitration pursuant to Public Act 312 of Public Acts of 1969, as amended. The undersigned was appointed Chairman by letter dated March 4, 1998. The Association appointed as its Delegate Kenneth E. Grabowski. The County appointed as its Delegate Melvin J. Muskovitz.

Following the appointment of the Chairman, the parties participated in several pre-trial conferences with the Chairman. The Chairman, as permitted by statute, remanded the matter back to the parties for further negotiations.

Formal hearings were held on February 8 and March 30, 1999, respectively.

The issues between the parties were:

1. Duration
2. Wages
3. Pension Plan (MERS and County Plan)
4. Job Selection/Assignment by Seniority
5. Sick Time Payoff
6. Vacation Time Payoff
7. Health Care Plans
8. Ypsilanti Township

During the pre-trials, the County spelled out its issues more specifically to be as follows:

1. It is the intent of Washtenaw County to create a "contract within a contract," for employees performing services that are contracted for by a local government unit. To accomplish this, the following articles in the collective bargaining agreement may need to be changed:

III. Wages

V. Scheduling

- 5.1.A. Work Week and Schedule
- 5.1.B. Shift Preference
- 5.1.B.3.b. Bid Jobs - Law Enforcement  
Division Uniform Deputy Sheriff
- 5.1.B.4. Work Schedules
- 5.1.C. Exchange Time

VI. Compensatory Time

VII. Overtime

VIII. Holidays

LX. Vacations

XV. Seniority

- 15.2. Seniority and Seniority List
- 15.5. Layoffs
- 15.6. Recall Procedure

XVI. Transfers and Promotions

XXVI. Equipment, Accidents and Reports

26.4. Fleet Issues

XXXI. General

31.14. Assignment of Deputies 50 Years and Older

31.16. Two-Person Patrol Cars

2. Community Service Officers (CSO) - Letter of Understanding
3. Shift bid (Article V)
4. Part Time Employees (Letter of Understanding)
5. Transfer/Promotion to Deputy from Probationary Position (Article XVI)
6. Transfer/Promotion to Sergeant (Article XVI)
7. "Me Too" Clause (Article XXII.7) - delete
8. Regional Dispatch

There developed during the pre-trial the question of whether or not certain Sheriff Department employees would be covered by the Act 312 Award herein -- specifically, Matrons and Correction Officers. By letter dated August 10, 1998, the attorney for the County and Panel Delegate, Melvin J. Muskovitz, wrote both the Chairman and the Association Panel Member a letter which in part stated:

Washtenaw County will agree to be bound, on a non-precedential basis, to the decision of the Act 312 Panel as applied to non-covered Sheriff Department employees.

Based upon this letter, on a non-precedential basis, the Award herein will apply to all Sheriff

Department employees represented by the Police Officers Association of Michigan.

**THE FACTORS TO BE CONSIDERED  
BY THE ARBITRATION PANEL**

In pertinent part, Section 9 of Act 312 sets forth the following factors upon which the Panel's decision must rest:

"[T]he arbitration panel shall 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 these 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.

The importance of these factors in the statutory scheme cannot be overemphasized. The constitutionality of Act 312 was before the Michigan Supreme Court in *City of Detroit v. Detroit Police Officers Association*, 498 Mich 410, 294 NW2d 68 (1980). An examination of that ruling makes it clear that the Court's decision was based, in large measure, on the key role which the §9 factors play in determining both: (a) the evidence to be presented and relied upon at arbitration hearings, and (b) the nature and scope of judicial review of arbitration awards.

In his opinion in the *City of Detroit* case, Justice Williams quoted §9 of the Act in its entirety, stating:

[T]he panel's decisional authority has been significantly channeled by §9...that section trenchantly circumscribes the arbitral tribunal's inquiry only to those disputes including wage rates or other conditions of employment embraced by a newly proposed or amended labor agreement, and commands the panel to base its findings, opinions and order relative to these narrow disputes on the eight listed factors as applicable.... 294 NW2d at 81.

On this basis, the Court held that Act 312 satisfied the "reasonably precise standards" test set forth in *Osius v. St. Clair Shores*, 344 Mich 693 (1956). Act 312 does not constitute an unconstitutional delegation of authority because:

...the eight factors expressly listed in §9 of the Act provide standards at least as, if not more than as, "reasonably precise as the subject matter requires or permits" in effectuating the Act's stated purpose "to afford an alternate, expeditious, effective and binding

procedure for the resolution of disputes." MCL §§423.231; MSA §17.455(31). These standards must be considered by the panel in its review of both economic and non-economic issues. In its resolution of non-economic issues, the panel "shall base its findings, opinions and order upon the following factors, as applicable, MCL §423.239; MSA §17.45(39) (Emphasis supplied). See MCL §423.238; MSA §17.455(38). The findings, opinions and order as to all other issues (i.e., non-economic issues) "shall be based upon the applicable factors prescribed in §9." (Emphasis supplied). When these eight specific §9 factors are coupled with the §8 mandate that "[a]s to each economic issue, the arbitration panel shall adopt the last offer of settlement which, in the opinion of the arbitration panel, more nearly complies with the applicable factors prescribed in §9, MCL §423.238; MSA §17.455(38) (Emphasis supplied)", the sufficiency of these standards is even more patent." (Emphasis in original, footnote omitted) 294 NW2d at 85-86.

After ruling that Act 312 is constitutional, Justice Williams then considered the second major issue in the *City of Detroit* case; that is, whether the arbitration award issued therein should be enforced. In this discussion, the critical importance of the §9 factors, as well as the interdependence of §§8, 9 and 12 of the Act was again stressed:

[A]ny finding, opinion or order of the panel on any issue must emanate from a consideration of the eight listed §9 factors, as applicable.

...Construing §§9 and 12 together then, our review must find that the arbitration panel did indeed base its findings, opinion or order upon competent, material and substantial evidence relating to the applicable §9 factors. Cf *Caso v. Coffey*, 41 NY2d 153, 158, 391 NW2d 88, 91, 359 NE2d 683, 686 (1976). In other words, the order of the panel must reflect the applicable factors and the evidence establishing those factors must be competent, material and substantial evidence on the whole record. It is only through this judicial inquiry into a panel's adherence to the applicable §9 factors in fashioning its award that effectuation can be given to the legislative directive that such awards be substantiated by evidence of, and emanate from consideration of, the applicable §9 factors."



(Emphasis in original) 294 NW2d at 96.

Justice Williams did not hold that the Arbitration Panel must give all of the §9 factors equal weight. Rather, it is for the Arbitration Panel to decide the relative importance "under the singular facts of a case although, of course, all 'applicable' factors must be considered."

[T]he Legislature has made their treatment, where applicable, mandatory on the panel through the use of the word 'shall' in §§8 and 9. In effect then, the §9 factors provide a compulsory checklist to ensure that the arbitrators render an award only after taking into consideration those factors deemed relevant by the Legislature and codified in §9." 294 NW2d at 97.

In the *City of Detroit* case, the Court found that the Arbitration Panel's economic award was supported by competent, material and substantial evidence on the whole record relating to the factors set forth in §9 of the Act. On the other hand, in the Court's view, the non-economic award was defective because the Arbitration Panel "did not consider all the applicable §9 factors in making its award, as Act 312 mandates."

...pro forma deference to the requirements of §§8 and 9 of the Act will not do. These sections, by their terms, require rigid adherence ...  
(Footnote omitted) 294 NW2d 103.

In sum, the *City of Detroit* decision mandates that the focus of the decision-making process in an Act 312 proceeding must be the factors enumerated in Section 9 thereof, and the decision of this Arbitration Panel must be based upon competent, material and substantial evidence on the record considered as a whole.

#### **THE FACTORS TO BE APPLIED TO THE WASHTENAW COUNTY SHERIFF DEPARTMENT**

As the Michigan Supreme Court pointed out in *City of Detroit*, all of the Section 9 factors

are to be considered. However, as in any negotiations, there may be certain factors that have particular driving forces leading to a contract settlement or, in this case, an award. Obviously, the finances of the County must be considered. But along with the finances are the external and internal comparisons. There are also the stipulations of the parties.

In addition, Section 9(h) provides that consideration should be given to factors utilized by fact finders in matters such as these. These factors include the bargaining history of the parties, and to what is sometimes referred to as the strike criteria and the art of the possible.

The bargaining history would include the bargaining history between these parties in the past and currently, the bargaining history of other employee groups in the County, and would incorporate the stipulation of the parties for, based upon the remand of this Chairman, the parties did reach certain agreements which will be incorporated into the Award by reference.

The strike criteria and the art of the possible sometimes go in tandem. Act 312 is a substitute for a strike. Therefore, in considering an award, the Panel must consider what the parties would have reached as an agreement if there was the right to strike. This can be ascertained by viewing the results of any strikes in the private sector in the area. The art of the possible is an offshoot of the strike criteria in that in negotiations, particularly if the parties have the right to strike, the parties make compromises to avoid a strike. These compromises are what the parties mutually will accept, *i.e.*, the art of the possible in a given situation. The function of the Panel is to predict these compromises, applying the Section 9 factors, including bargaining history, the strike criteria and art of the possible factors.

Wages, pensions and health care benefits seem to be the focus of the parties' concerns here. As to wages, County Exhibit 1 describes the comparable wages with the maximum salaries

of the Deputies with two of the large police departments in the County (Ann Arbor and Ypsilanti) as well as Pittsfield Township, plus several other counties. This comparison is as follows:

**MAXIMUM SALARY- DEPUTIES**  
Effective Date 1/1/98

| <b>County/Municipality</b>    | <b>Maximum Salary</b> | <b>Years to Maximum</b> |
|-------------------------------|-----------------------|-------------------------|
| City of Ann Arbor             | \$45,802              | 4                       |
| City of Ypsilanti             | \$45,980              | 5                       |
| Pittsfield Township           | \$40,998              | 5                       |
| Ingham County                 | \$40,389              | 4                       |
| Genessee County               | \$40,020              | 6                       |
| Monroe County                 | \$39,582              | 5                       |
| St. Clair County              | \$43,438              | 5                       |
| (Contract expired 1996)       |                       |                         |
| Saginaw County                | \$38,142              | 6                       |
| Average                       | \$41,793              | 5                       |
| <b>Washtenaw</b>              | <b>\$41,527</b>       | <b>5</b>                |
| Washtenaw compared to Average | -.64%                 | No difference           |
| Washtenaw Rank                | 4 of 9                |                         |

SOURCE: County Municipal Union Contracts

The wages of the Sheriff's Deputies since 1998 have increased 44.3% versus a cost of living increase of 37.6%. The longevity payments as between the compared communities suggests that Washtenaw County Sheriff's Department compares most favorably and may even have the top longevity payment schedule of the compared communities. When Deputy maximum pay and longevity are compared, the Deputies are not as high as Ann Arbor or Ypsilanti, but are ahead of Pittsfield Township, Ingham County, Monroe County, Genessee County and Saginaw County, though not as high as St. Clair County, thereby making Washtenaw four of nine communities compared.

The settlements among Washtenaw County employees are as follows:

**WASHTENAW COUNTY CONTRACT SETTLEMENTS  
1997-2002**

| <b>BARGAINING UNIT/EMPLOYEE<br/>GROUP</b>                                  | <b>1997</b> | <b>1998</b> | <b>1999</b> | <b>2000</b> | <b>2001</b> | <b>2002</b> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| AFSCME Local 2733 -- General County<br>Employees                           | 2%          | *           | *           | *           | *           | *           |
| AFSCME Local 3052 - General Supervisors                                    | 2%          | 0           | 2%          | 2%          | 2%          | 2%          |
| AFSCME Local 3052 -- Family Division --<br>Court Supervisors               | 2%          | 0           | 2%          | 2%          | 2%          | 2%          |
| Michigan Nurses Association, Unit I --<br>Public Health Nurses             | 2%          | 0           | 2%          |             |             |             |
| Michigan Nurses Association, Unit 11 --<br>Public Health Nurse Supervisors | 2%          | 0           | 2%          | 2%          | 2%          |             |
| POAM   | 2%/3%       | *           | *           | *           | *           | *           |
| COAM   | 2%/3%       | *           | *           | *           | *           | *           |
| Public Defenders Association   | 2%          | 0           | 2%          | 2%          | 2%          | 2%          |
| Assistant Prosecuting Attorneys Association                                | 2%          | 0           | 2%          | 2%          | 2%          |             |
| Teamsters, Unit I -- District Court Clerical<br>Employees                  | 2%          | 0           | 2%          | 2%          | 2%          |             |
| Teamsters, Unit 11 --District Court<br>Supervisors & Probation Agents      | 2%          | 0           | 2%          | 2%          | 2%          |             |

\* currently in negotiations

Exhibit 7 presented by the County addresses pension benefits and is attached hereto in its entirety as Appendix A. The point about pensions is that the POAM is requesting some changes.

These changes, when compared to the comparables, are consistent therewith. They do recognize the nature of law enforcement work, the burnout rate in same, and the recognition that the work is strenuous, causing employees to opt for earlier retirement as compared to other types of employees.

In the area of health care benefits, the following chart sets forth the internal comparables within the County bargaining units, suggesting that the concept of flexible benefits is a growing trend in Washtenaw County and thus should be adopted in the Award:

**HEALTH CARE BENEFITS COMPARISON**  
**Washtenaw County Employee Groups**

| <b>Employee Group</b>  | <b># of Employees</b> | <b>Health Care Benefit</b> |
|--|-----------------------|----------------------------|
| AFSCME Local 2733<br>General County Employees                                      | 695                   | Traditional Healthcare     |
| AFSCME Local 3052<br>General Supervisors   | 49                    | Traditional Healthcare     |
| AFSCME Local 3052<br>Family Division -- Court Supervisors                          | 5                     | Traditional Healthcare     |
| Michigan Nurses Association, Unit I<br>Public Health Nurses                        | 15                    | Flexible Benefits          |
| Michigan Nurses Association, Unit 11<br>Public Health Nurse Supervisors            | 3                     | Flexible Benefits          |
| Public Defender's Association  | 11                    | Flexible Benefits          |
| Assistant Prosecuting Attorneys Assn   | 23                    | Traditional Healthcare     |
| Teamsters, Unit I --<br>District Court Clerical Employees                          | 25                    | Flexible Benefits          |
| Teamsters Supervisors, Unit 11 -- District<br>Court Supervisors & Probation Agents | 8                     | Flexible Benefits          |

|                             |     |                   |
|-----------------------------|-----|-------------------|
| Non-Union -- General County | 183 | Flexible Benefits |
| Sheriff's Non-Union         | 7   | Flexible Benefits |
| POAM                        | 208 | Flexible Benefits |
| COAM                        | 32  | Flexible Benefits |

**Traditional Healthcare:**

CMM250 for the 1st 3 yrs of employment with the ability to buy-up to MM50

MM50 after the 1st 3 yrs of employment

Delta Dental (Level 1)

Life Insurance (1 x salary; maximum as defined by collective bargaining agreements)

Health Care Reimbursement Account (HCRA)

**Flexible Benefits:**

MM50, CMM250, M Care HMO, Care Choices HMO or Community Blue PPO

(employee are provided credits to purchase CMM250 if in the 1st 3 years of employment;  
after 3 years of employment employee are provided credits to purchase MM50)

Delta Dental (Level 1); ability to purchase Level 11 coverage

Life Insurance (1 x salary with \$50,000 maximum); ability to purchase 2, 3 x salary;  
(\$50,000 maximum per level increment)

Long-Term Disability after 6 month wait with 180 day elimination period; ability to purchase  
higher level of coverage

Vision (BC BS) --100% premium paid by employee; 2-year coverage

Health Care Reimbursement Account (HCRA)

Dependent Care Reimbursement Account (DCRA)

**STIPULATIONS**

On January 27, 1999, Kenneth E. Grabowski wrote the following letter enclosing a draft  
contract setting forth what was then the tentative agreements of the parties:

Enclosed please find a draft copy of the pending labor  
agreement for the Washtenaw County Deputy Sheriffs Association  
commencing January 1, 1998, which has no expiration date at this  
time. This draft contains all current language, past letters of  
understanding and recent tentative agreements which have been  
incorporated into the draft. Only the union's issues in dispute are  
shown as "Pending Arbitration" and the exact language has been  
left out.

It is the Union's understanding that once an agreement is reached or arbitration is ordered, the language on the union issues will be added and the language for employer issues will be corrected, if need be, from the current language.

Please review this draft and advise if any additions or corrections are needed. In order to expedite your review, we have highlighted all changes.

Attached hereto as Appendix B is the full draft, which language shall be awarded as part of the Award here.

Obviously, with the remand directed by the Chairman, the parties engaged in certain negotiations. As a result, by letter dated February 2, 1999, from Diane H. Buisch, Labor Relations/Human Resources Manager, County of Washtenaw, to Kenneth Grabowski, certain agreements were expressed, which are attached hereto as Appendix C and will be incorporated as such in the Award.

### **ISSUES AT THE TIME OF HEARINGS**

By the time the first hearing in this matter commenced on February 8, 1999, there were certain economic issues still unresolved, as well as issues concerning Ypsilanti Township, exchange time, Community Officers, grievance procedure, work week and schedules. As to the issue of economics, the County presented its position on economic issues, which read:

1) **INTRODUCTION**

- a) There are four economic issues before the arbitrator: (1) health insurance, (2) pension, (3) annual sick and vacation conversion/payout and (4) wages. The County and the Union have a tentative agreement with respect to health care, subject to resolution of

the other three issues. The County has agreed to the Union's pension demands as submitted to the Arbitrator, again conditioned on an overall settlement.

- b) As more fully set out below, the County's wage proposal should be adopted by the Arbitrator. Even with a wage freeze in the first year of the contract, deputies are above the average for compensation and pension benefits for the mutually agreed to comparable departments. Further, the Union's annual sick and vacation conversion/payout proposal should be rejected.
- c) The County's Exhibits are based on the following assumptions:
  - i) Pension
    - (1) The Union's original pension demands are granted
    - (2) The County's exhibits are based on the following assumptions:
      - (a) Average age of hire = 25
      - (b) Final average compensation equals current maximum annual salary plus longevity
      - (c) Life expectancy = 75
  - ii) Wages - no increase in 1/1/98 rate for bargaining unit members

## 2) HEALTH CARE BENEFITS

- a) Overview
  - i) Current bargaining unit employees hired before 5/17/95 have the following health care benefits:
    - (1) Medical -- BC/BS MM50
    - (2) Dental -- Level I Benefits



- (3) Life Insurance -- 1 x salary (\$30,000 maximum)
    - (4) Health Care Reimbursement Account (pre-tax \$\$)
    - (5) Optical (2-year plan) -- 100% of the premium paid by the employee if benefit is selected
  - ii) Current bargaining unit employees hired after 5/17/95 have the same benefits as listed above with the following exception: Medical - BC/BS CMM250 (remains in effect for their entire employment).
  - iii) There is a higher deductible for the CMM250 (\$250/\$500) vs. the MM50 (\$50/\$100) and a higher co-pay for the CMM250 (20%) vs. the MM50 (10%, \$5 or 0, depending on the service).
- b) The County has agreed to the following health care benefit plan enhancements:
- i) Enrollment in the flexible benefits program
  - ii) After three years of employment, employees will be given flex plan credits at the level of MM50 coverage at no additional cost to the employee
- c) As a result of allowing employees to participate in the flex plan, employees will have the following benefit improvements:
- i) Medical
    - (1) Employees will have the choice of six (6) different health care plans:
      - (a) BC/BS MM50
      - (b) BC/BS Option I (80/20) with ML Rider
      - (c) BC/BS CMM250
      - (d) Community Blue PPO
      - (e) M-Care
      - (f) Care Choices

- (2) Employees will now have the option of waiving medical coverage and receiving between \$1,100 (new hire) and \$1,575 (after three years of employment) annually
- ii) Dental - employees can purchase enhanced benefits (Level II)
- iii) Life Insurance
  - (1) Basic coverage is increased from \$30,000 to a maximum of \$50,000
  - (2) Option to purchase coverage up to 3 times salary, not to exceed \$150,000
- iv) Long-Term Disability
  - (1) Employees receive 50% of earnings, not to exceed \$2,500 a month, after a 180 day qualifying period. This is a new benefit which is paid for by the County.
  - (2) Employees also have the option, through payroll deduction, to either reduce the qualifying period to 90 days and/or increase their monthly benefits up to 66% of earnings, not to exceed \$3,500 a month.
- v) Dependent Care Reimbursement Account
  - (1) This gives an employee the ability to set aside up to \$5,000 annually (pre tax dollars) to pay dependant (child, spouse, parent, etc.) care related expenses.
  - (2) This could result in a net savings to an employee of approximately \$1,000 annually.
- d) Needless to say, these improvements come with a

cost to the County

- i) Medical Insurance: Based upon current personnel, the cost of moving from the CMM250 plan to the MM50 plan is \$92,664, over a three year period, with the initial cost being \$40,248. Further, the County's medical insurance premiums will be perpetually higher with the agreed to change.
  - ii) Life Insurance: The cost of the increase in the amount of life insurance coverage is approximately \$10,390.
  - iii) Long-Term Disability Insurance: The cost of this new benefit is approximately \$83,000.
- e) As shown above, the flexible benefit plan is superior to the traditional healthcare plan offered by the County. Only about a quarter (27%) of the other unionized County employees have the flexible benefits plan (Exhibit 14).

3) **PENSION BENEFITS**

- a) In the context of an overall settlement, the County agrees to make the following pension changes requested by the Union:
  - i) MERS - increase the multiplier from 2.25 % to 2.50 %
  - ii) Washtenaw County Employees Retirement System (WCERS)
    - (1) Eliminate the provision whereby the multiplier is reduced from 2.50% to 2.00% at age 62 (social security adjustment)
    - (2) Amend the Washtenaw County Employee Retirement System (WCERS) to enable the WCERS members who currently do not have

the right to do so, to retire after 20 years of service.

- b) Based upon these pension improvements, as shown below, the deputies have superior pension benefits when compared to the employees in the comparable departments.
- c) All bargaining unit members have a 2.50% multiplier.
- d) All deputies, whether they are in MERS or WCERS, have an annual pension that is 11% (\$3,402) above the average if they retire at age 55 (Exhibit 8, pp. 2-3).
- e) Over the course of their post retirement life, this results in over \$68,000 additional benefits for a deputy who retires at 55; the only department with greater benefits (Ann Arbor) does not participate in the social security system (Exhibit 9).
- f) Despite having far superior benefits, County employees pay slightly less than the average percent of payroll contributed by employees in the comparable departments (5.0% vs. 5.1%) (Exhibit 7).
- g) As a result of the improved pension benefits, a Washtenaw County deputy retiring at age 55 will realize substantially higher lifetime retirement benefits than they would have earned under the current formula
  - (i) MERS (Exhibit 11)
    - (1) \$68,520 additional lifetime benefits
    - (2) + 11% increase
  - (ii) WCERS (Exhibit 12)
    - (1) \$89,076 additional lifetime benefits
    - (2) +14.9% increase

- h) Comparison to Washtenaw County unions (Exhibit 13)
  - i) All non-Sheriff Department unions and all non-Sheriff Department non-union employees have a 2.0% multiplier, compared to a 2.5% multiplier for the bargaining unit.
  - ii) The bargaining unit members have a 25 % greater multiplier.

4) **ANNUAL SICK AND VACATION CONVERSION AND PAY OUT**

- a) Currently, bargaining unit members can convert sick days in excess of 120 to vacation at the rate of one (1) vacation day per two (2) sick days. Vacation days are capped at three times the annual allotment with no payment for days accumulated in excess of the maximum.
- b) The Union proposes that the sick/vacation conversion ratio be changed from one (1) vacation day per two (2) sick days to one (1) vacation day per one (1) sick day. In addition, the Union has proposed that on an annual basis bargaining unit members be able to cash out vacation days accumulated in excess of the maximum at the rate of seventy-five (75%) percent.
- c) The County opposes this proposal for the following reasons:
  - i) Only one of the 11 County bargaining units has this benefit.
  - ii) The only bargaining unit that has this benefit (Command Officers) received it during contract negotiations in which it agreed to a drug testing program. This bargaining unit rejected the County's drug testing proposal at that time.

- iii) There is a substantial cost associated with this benefit which is compounded by the fact that the County will now be providing long term disability insurance. The cost of the disability insurance is approximately \$83,000. It is estimated that the cost of the vacation pay out in the first year of the contract would be approximately \$87,000. These two benefits combined would cost about \$170,000 a year! In addition, the annual pay out will continue to be substantial.
- iv) Generally, when a long term disability plan goes into effect, there is a reduction in the number of sick days an employee earns on an annual basis. This is not the case here. In effect, if the Union's proposal is accepted, the County will be placed in "double jeopardy" from a cost standpoint.

5) **WAGES**

- a) In Washtenaw County, a deputy's annual salary is increased between 2% and 10% based on years of service. Accordingly, when comparing a deputy's pay, longevity must be included.
- b) The County's longevity payments far exceed the average (Exhibit 4)
  - i) For a ten (10) year deputy, longevity pay is 65% above the average (\$656 annually)
  - ii) By the twentieth year of employment, the annual differential grows to 130% (\$2,347)
  - iii) Depending on length of service, Washtenaw County deputies will earn between \$27,364 and \$48,246 more in total longevity pay over their career than the average earned by employees in the comparable departments. The amount earned is more than double at

25, 30 and 35 years of service (Exhibit 5)

- c) Thus, while the maximum deputy pay in Washtenaw County effective 1/1/98 was slightly below the average (less than 1 %) (Exhibit 1), when longevity is included, Washtenaw County deputies earn substantially more than their counterparts
  - i) Washtenaw County deputies exceed the average at every five (5) year interval from five (5) years to thirty-five (35) years of employment when comparing the total of annual salary and longevity (Exhibit 6)
  - ii) At twenty (20) years of service the differential is +4.77% or over \$2,000 a year more (Exhibit 6)
  - iii) Over the course of a 30 year career, the differential is \$29,947 or almost \$1,000 a year (Exhibit 10)
- d) While bargaining unit members would not get an increase in 1998 under the County's offer, bargaining unit members have fared well in comparison to the rise in the cost of living (Exhibit 2)
  - i) Over a 10 year period, the maximum deputy salary has increased by 44.3%. This is a 17.8% greater increase than the percent increase (37.6%) in the consumer price index for the area covering Ann Arbor, Michigan
  - ii) Further, deputies receive four (4) annual step increases after their first year of employment. The total increase is 41.5%. The average increase was 10.4%.
  - iii) During 1998 over 1/3 (36 of 104) of the sworn deputies received a step increase, between 4.8% and 16.4%

- e) Bargaining unit employees are being treated fairly in comparison to other County employees (Exhibit 3)
  - i) Washtenaw County has 11 collective bargaining units. In the last year (1997) of the expired contract, all nine bargaining units outside the Sheriff's Department received a 2% wage increase. By contrast, the deputies (and other bargaining unit members and the COAM) received a 2% increase on 1/1/97 and a 3% increase on 7/1/97. Thus by the end of the year, the wage rate went up by 5% and total compensation increased by 3.5% versus 2% for the other units.
  - ii) The County has negotiated a wage freeze for 1/1/98 with each of the eight (8) units with which it has completed negotiations.
  - iii) The County's proposal of a 2% wage increase in subsequent years is consistent with the increase it has negotiated with these eight unions.

6) **CONCLUSION**

- a) Bargaining unit members have received a substantial improvement in their health benefits. These employees will receive these benefits not only for the duration of their employment, but for the duration of their life, at no cost to the employees (Exhibit 7).
- b) Further, as a result of a generous pension improvement and superior longevity benefits, bargaining unit members will receive substantially more in combined lifetime compensation and retirement benefits than comparable employees (Exhibit 10).
  - i) A deputy hired at age 25, who retires at age 55 and lives to age 75 will receive \$97,992



more over a 50 year period (5.14 %), than the average amount received by his/her counterparts.

- ii) This is an average of almost \$2,000 more a year for 50 years!
- c) Based upon the above, and when the County's proposal is placed in the context of improved pension and health care benefits received by the bargaining unit employees in this collective bargaining agreement, the Arbitrator should accept the County's last best offer on wages for each year of a five year contract and deny the Union's proposal regarding sick and vacation accrual and pay out.

The POAM resisted the wage freeze, sought improvements in health insurance and pension, as well as annual sick and vacation conversions.

### **RESOLUTION**

The Chairman proceeds to address issues raised applying the various criteria discussed above.

1. Exchange Time, Grievance Procedure and Community Service Officer

There was during the pre-trial conferences, as well as at the hearing, debate between the parties concerning the above items. During the course of the hearing, the Chairman indicated his leanings on these issues and remanded these issues back to the parties for the purpose of resolution, indicating that he would enter an award consistent with the resolution that the parties reached. In other words, the resolution the parties reached came about because of the viewpoints of the Chairman. Attached hereto is Appendix D, Exchange Time; Appendix E, Grievance

Procedure; Appendix F, Community Service Officers; and Appendix G, Work Week and Schedules. These became tentative agreements between the parties dated March 30, 1999.

These agreements, however, it must be emphasized, came about at the urging of the Chairman as they represented the views of the Chairman. Therefore, the Award will incorporate Appendices D, E and F. Appendix G, Work Week and Schedules, which also was an issue between the parties.

2. Work Week and Schedule

The comments made by the Chairman as to Exchange Time, Grievance Procedure and Community Service Officer also apply to a dispute concerning Work Week and Schedule. As a result, the parties agreed to Appendix G, which will be part of the Award.

3. Ypsilanti Township

Perhaps one of the most troublesome issues was the issue of Ypsilanti Township. At the hearing on February 8, 1999, representatives of Ypsilanti Township were present, and its attorney testified before the Panel, explaining the concerns that the Township had in regard to furnishing police services by the Sheriff's Department to Ypsilanti Township. These concerns impact on the Collective Bargaining Agreement.

Considering the bargaining history and the art of the possible, the Chairman has opted for the following language as to Ypsilanti Township and will incorporate same into the Award:

Re: Ypsilanti Township

To be added to current contract language, Article V, Scheduling

The Arbitrator recognizes for the purposes of Ypsilanti Township only, because the Township does contract with the County for officers in excess of 40 that the issue of extended work assignments should be addressed. As a result of Ypsilanti

Township's contract in excess of 40 positions, the arbitrator believes a commitment in excess of the current four month bid process for Ypsilanti Township only, is appropriate. The arbitrator believes that for Ypsilanti Township only, employees should make a commitment to work within the boundaries of Ypsilanti Township only, for a period of at least one calendar year. The current contract provisions for shift bid and assignment will be followed except as outlined and modified below.

1. Employees will commit by a seniority bid process to a one year period of service with Ypsilanti Township only, all other shift bids and assignments will remain the same.
2. During the one year period of service, employees will continue to bid shifts every four months as outlined in the current contract.
3. The employees working within Ypsilanti Township may request to be reassigned before the expiration of the one year bid. The employees request for reassignment will be considered for promotion, transfer and hardship cases only. The employee will be reassigned at management discretion for the duration of the shift bid. A request for reassignment must be made in writing to the Sheriff or his designee. Hardship requests will not be unreasonably denied.
4. Vacated positions for the Ypsilanti Township one year bid will be filled strictly by seniority, by a bump-down process in a reasonable period of time.
5. Bargaining unit members who are residents of Ypsilanti Township and work within the Township, will be paid a stipend based upon the number of consecutive yearly shifts they worked in the Township. The date designated to start the anniversary date is September 1, 1999, I.E.; the first stipend will be paid after one year (September 1, 2000) based on the following schedule:
  - A. 1st year anniversary date \$500.
  - B. 2nd year anniversary date \$750.
  - C. 3rd year anniversary date and any successive years anniversary dates \$1,000.

6. The Sheriff may call a special conference at the sole discretion of the Sheriff to discuss issues pertaining to sheriff department police services in Ypsilanti Township. The Sheriff may request representatives from the Township of Ypsilanti to participate in the special conferences. Local union officers requested to participate by the Sheriff in attendance outside of their normally regularly shift hours will be paid at the appropriate overtime rate.

Article V, Section 5.1, 3b, Bid Jobs.

The Sheriff by a selection process, identified in the posting may assign up to forty percent (40%) of all C.O.L.E.S. certified bargaining unit members to special assignments within the Police Services Division. All other positions will bid by seniority. The posting will include the selection process and criteria. Employees not selected will receive oral notification and reason(s) for not being selected unless a written notification is requested.

The number of C.O.L.E.S. certified bargaining unit members as well as special assignment positions will be identified and supplied to the POAM and local union president two weeks prior to each shift bid.

The number of employees eligible for Speciality Assignment positions will be identified two weeks prior to the bid. This number will not increase or decrease with the fluctuation of C.O.L.E.S. certified personnel during the shift bid period.

The Employer may assign probationary employees to a position for the duration of their probation. Upon the successful completion of probation he/she would be placed in the shift bid by their seniority.

Shift bids will be conducted for the January - April, May -August and September - December time periods.

All changes in one-year bid personnel will take effect in the September - December shift bids.

(Note: The vacation bid language will need to be changed from December to September. The Employer will agree to honor current vacation bids for 1999.)

Add to Article V.

Vacated positions for the four (4) months shift bid for the entire bargaining unit will be filled strictly by seniority, by a bump-down process if the shift bid has 50% or more time left at the time of vacancy.

4. Economic Issues

The driving force behind the Award that follows as to economic issues is the comparables, the external comparables and the internal comparables insofar as bargaining history is concerned. The overlay is the art of the possible.

The bargaining history indicates that the bargaining pattern in Washtenaw County among many bargaining units is no raise in 1998 and 2% increases for 1999, 2000, 2001. In the case of three units, there was an increase of 2% in 2002. These wages are consistent with the cost of living, which is low, plus the County's financial wherewithal. The problem is that in terms of police work, Washtenaw County Sheriff Deputies are paid less than the City of Ann Arbor and the City of Ypsilanti police departments within Washtenaw County. Furthermore, the County is furnishing police services to Ypsilanti Township, which adjoins the City of Ypsilanti. In addition, St. Clair County pays more than Washtenaw County.

When compared with the comparables, Washtenaw County is four of nine and .64% less than the average. But for these comparables and the nature of police work, this Chairman would have opted for the zero increase in 1998. Yet the pressures of the wages of other police departments noted above would suggest that there be a requirement of an increase in 1998 of 1.5%. On the other hand, there is no reason for any other non-police unit to receive an increase in 1998. Consistent with this approach and the art of the possible, the pay rate increases should

be 2% in 1999; 2% January 1, 2000; 2% July 1, 2000; and 3% in 2001. This is essentially consistent with the bargaining pattern in Washtenaw County and takes into consideration the outside pressures of Ann Arbor and Ypsilanti.

A point must be emphasized. The Ann Arbor and Ypsilanti rates are substantially higher than the Washtenaw County Sheriff Department. And this is also true with St. Clair County. For this and only this reason, the Chairman has opted for the pay increases just set forth. Otherwise, there would not have been a pay increase and the pay raises for the subsequent years would be in the 2% range. But the Sheriff Deputies must make some improvements in relationship to Ann Arbor and Ypsilanti and, for that matter, St. Clair County. This explains that the wage increases this year are based on a unique set of circumstances that does not apply to any other employees in the County.

5. Clothing and Maintenance Allowance

There are uniform demands on Sheriff Department employees. For this reason, when comparing the rate paid by other departments, the rates seem to be low in Washtenaw County. For these reasons, the Chairman will opt for the following rates:

|   | <u>1999</u> | <u>2000</u> |
|---|-------------|-------------|
| Deputies/Detectives                       | \$1,100     | \$1,200     |
| Correction Officers                       | 1,050       | 1,150       |
| Court Officers                            | 750         | 850         |
| Communication Operators                   | 700         | 850         |
| Property Clerk/Animal<br>Control Officers | 750         | 850         |

6. Pensions and Insurance

Considering the comparables, the internal bargaining history as compared with other bargaining units, and the art of the possible, the Chairman will opt for the following plan as to insurance and pensions. The "Me Too" clause in the current contract shall continue.

**ARTICLE XXII - PENSION**

**Add New Language**

22.2 WCERS

- A. Add 2nd Paragraph:  
Effective date of Arbitration Award (May, 1999), the Social Security Offset (reduction to 2% at age 62) presently in effect shall be eliminated.
- F. 20 and Out, Non-Covered County Plan  
Effective date of Arbitration Award (May, 1999), those employees not presently covered by the "20 and Out" shall be extended this provision.

22.5 MERS.

- B. Effective date of Arbitration Award (May, 1999), for those employees actively enrolled and contributing to the MERS Pension Plan, the multiplier shall be adjusted from B-3 (2.25%) to B-4 (2.5%) with the F-50 waiver.

- 22.8 Pension Public Service Buy-Back. Members of the Washtenaw County Employees Retirement System (WCERS) will be allowed the opportunity to purchase prior public service time consistent with the ordinance amendment approved by the Washtenaw County Board of Commissioners on October 8, 1997, and adopted by the WCERS Board on October 22, 1997.

**ARTICLE XIII -- INSURANCE**

**Add Date**

13.1 Hospitalization.

- F. Effective upon ratification by both parties (5/17/95):

**Add New Language**

13.1 Hospitalization.

- G. Effective 3/30/99:

1. Employees shall be enrolled through a "special open enrollment" in the existing Washtenaw County ***Flexible Fringe Benefit Program*** (Appendix A), with a 6/1/99 effective date of enrollment changes.
2. The "special open enrollment" into the ***Flexible Fringe Benefits Program*** would include healthcare, dental, life insurance, long-term disability, vision and dependent care reimbursement account selections only.
3. In accordance with the Long-Term Disability provider guidelines, eligibility for the long-term disability shall be six (6) months from enrollment in the ***Flexible Fringe Benefits Program*** (e.g., if the enrollment date is June 1, 1999, long-term disability eligibility would be effective December 1, 1999).
4. Employees shall receive credits sufficient to provide the basic long-term disability insurance available in the ***Flexible Fringe Benefit Program***.
5. Employees would be provided credits equivalent to purchase ***Blue Cross/Blue Shield CMM-250*** coverage for the first three (3) years of employment. After three (3) years of employment, employees shall begin receiving credits equivalent to purchase ***Blue Cross /Blue Shield MM-50*** coverage.

Effective with Fall, 1999 ***Flexible Fringe Benefit Program*** Enrollment:

1. The ***Option I(80/20) with the ML Rider*** will be added as an available health care benefit selection, with benefit changes effective 1/1/2000.
2. Employees selecting the ***Blue Cross Community Blue PPO*** medical plan shall be offered the option to purchase, at the employee's expense, the following riders:
  - CB-ET (Emergency Treatment)
  - CB-MH (Mental Health 20% co-pay)

#### **Add New Language**

##### **13.1 Hospitalization.**

Effective 3/30/99:

- H. The Employer will add ***Blue Cross/Blue Shield*** hospitalization riders to its ***Blue Cross/Blue Shield*** hospitalization plan so long as they do not increase the existing premium.



## **Modify Life Insurance Example**

### **13.3 Life Insurance.**

Examples:

3. All employees earning ~~\$30,000~~ \$50,000 and above are insured for ~~\$30,000~~ \$50,000.

## **Add New Language**

### **APPENDIX A**

#### **Washtenaw County Flexible Benefits Program**

Under flexible benefits, employees can select their major fringe benefits from a "menu" of options based on his/her personal and family needs. Core benefits of this program include medical, dental, life insurance and long-term disability insurance. Employees **must** select an option in all of these benefits categories.

#### **Benefit Options**

1. Medical
  - A. **Blue Cross/Blue Shield Traditional program - \$50/\$100 annual deductible (MM50).**
  - B. **Blue Cross/Blue Shield Comprehensive Master Medical -- \$250 annual deductible (CMM250). A program similar to the Blue Cross/Blue Shield Traditional program, however, requiring co-pay on all services and a lower reimbursement rate.**
  - C. **Blue Cross/Blue Shield Community Blue PPO (preferred provider organization) -- This option provides coverage with a \$10 co-pay for most medical services when preferred providers are chosen. When a provider is chosen outside the network, members are subject to a deductible and co-pay, and in certain instances no coverage.**

Additionally, the following riders may be added to the Community Blue PPO selection at the employees expense:

- CB-ET (Emergency Treatment)
  - CB-MH (Mental Health 20% co-pay)
- D. **Care Choices HMO**
  - E. **M-Care HMO**
  - F. **No medical insurance (waiver) - available only if accompanied by proof of coverage from either the insurance carrier or the employer providing the coverage.**
2. Dental
    - A. **Delta \$750 annual maximum (current County Dental Plan) with 50% coverage on most procedures.**

- B. Delta \$1,000 annual maximum with 80% maximum coverage on most procedures.
- 3. Life Insurance
  - A. **One (1) times salary up to \$50,000.**
  - B. Two (2) times salary up to \$100,000.
  - C. Three (3) times salary up to \$150,000.
- 4. Long-Term Disability
  - A. **50% of salary after 180-day eligibility period - \$2,500 monthly maximum.**
  - B. 50% of salary after 90-day eligibility period - \$2,500 monthly maximum.
  - C. 60% of salary after 90-day eligibility period - \$3,500 monthly maximum.
  - D. 66% of salary after 90-day eligibility period - \$3,500 monthly maximum
- 5. Vision Care Plan - Optional - 100% paid by the employee  
Fixed reimbursements for frames, lenses and examinations every 24 months.
- 6. Reimbursement Accounts - Optional -100% paid by the employee  
These optional accounts permit an employee to reduce taxable income by depositing his/her wages into either or both accounts before it is taxed. Because of its tax advantage status, employees who open these accounts are required to spend them completely within the calendar year for which they are chosen. Any unexpended funds would default back to the County.
  - A. Health Care (HCRA) - the maximum HCRA per year is \$3,000 deducted in biweekly installments.
  - B. Dependent Care Reimbursement Account (DCRA) - the maximum DCRA per year is \$5,000 deducted in biweekly installments.

#### **Flexible Credits**

Each employee in the Flexible Benefits program is allocated flexible benefits credits which can be "spent", on their benefit selections. The credits are equal in value to the costs of the CORE Plan Benefits (identified under **Benefit Options** in **BOLD**). Benefits credits will differ from employee to employee as life insurance and long-term disability costs will vary according to employee age and salary amounts. Credits are adjusted accordingly but will be sufficient to obtain the CORE Plan Benefits.

Credits do not equal the actual dollar value of providing the current benefits. However, amounts under the "price" may be converted into dollars if there are any unexpended funds. These additional credits could be used to buy higher level benefits in the other categories, can be put into one of the flexible spending accounts (HCRA or DCRA), or converted to cash. If an employee chooses benefits that exceed their credit allotment, deductions would be taken bi-weekly through the payroll system.

## **Enrollment**

All flexible benefits employees must re-enroll every year in the Fall. At that time, they will be provided with the following:

- ***Flexible Benefits Manual*** which explains all of the details on the various benefit plans offered,
- ***Enrollment Form*** listing the credits allocated to each employee and the costs of their benefit plan, and
- any other pertinent materials referring to the benefit options.

## 7. **Flex Benefits**

At Tr. 21 of the hearing of March 30, 1999, the following statement was made by the Chairman, and the Award will incorporate this understanding:

ARBITRATOR ROUMELL: All right. Now the final thing is based upon the statements I've heard, the flex benefits should be adopted and I'd like to make a ruling, so to speak, right here on the flex benefits. I'd like to have the County open up enrollment as quickly as possible so that the members of the Department can participate. I'll incorporate that in my opinion and award but I'd like to have that done now. I understand you need 90 days for an enrollment period.

MS. BUISCH: We need 45 days to set up the plan.

ARBITRATOR ROUMELL: All right.

MS. BUISCH: And then we can begin enrollment as soon as that's done.

ARBITRATOR ROUMELL: All right. So I'm directing that the County proceed with dispatch. Do you understand what I'm saying?

MR. GRABOWSKI: We have a bench decision and we understand it.

## 8. **Procedure**

At Tr. 19-21 of the March 30, 1999 hearing, the following agreements:

ARBITRATOR ROUMELL: Thank you. What I'd like to have the parties do on the record is waive the filing of last best offers. You've made your positions clear what you're looking for on economics and to agree that the Chairman can make a decision on the economics without considering last best offers.

MR. GRABOWSKI: The Union concurs and we went with the understanding that we'll -- in relations to retroactivity and new benefits, that they would take effect as reasonably soon as possible and there would be full retroactivity involved in any type of economic award.

ARBITRATOR ROUMELL: County.

MR. MUSKOVITZ: We would also agree and stipulate to the waiving of last best offers. With respect to retroactivity, I just need a clarification. Is it -- I'm not -- is it your position on pension that that also is retro or is that effective reasonably after -- with the award?

MR. GRABOWSKI: If the Arbitrator were to award the pension date prior to this date, it would be retroactive. If the Arbitrator made the decision that the pension benefits is proactive, then it could not be retroactive.

ARBITRATOR ROUMELL: All right. And that's up to the Arbitrator.

MR. GRABOWSKI: Correct.

ARBITRATOR ROUMELL: And I ask both parties to waive the participation of panel members and allow the decision that will be made here, be solely the decision of the Chairman which will be agreed to by the parties as a majority decision.

MR. GRABOWSKI: The Union concurs.

MR. MUSKOVITZ: County concurs.

The Chairman has proceeded based on this stipulation.

9. Duration

The contract shall have a duration of January 1, 1998 through December 31, 2001. All provisions will be retroactive except insurance and pensions, which will take place as of the date of this Award, unless already implemented.

A W A R D

1. The contract will be effective January 1, 1998 through December 31, 2001. All matters will be retroactive except as otherwise indicated. Pensions and insurance will take effect as of the date of this Award, unless already implemented.

2. Appendices B through G are hereby incorporated in this Award.

3. The statements as to Ypsilanti Township, pensions and insurance, as set forth in the Opinion, are hereby incorporated and made a part of this Award.

4. The provisions as to wages are as follows:

1998 - increase of 1.5%

1999 - increase of 2%

2000 - increase of 2% January 1 and 2% July 1

2001 - increase of 3%

5. Clothing and Maintenance Allowance - The clothing allowance shall be:

|                      | <u>1999</u> | <u>2001</u> |
|----------------------|-------------|-------------|
| Deputies/Detectives  | \$1,100     | \$1,200     |
| Corrections Officers | 1,050       | 1,150       |
| Court Officer        | 750         | 850         |

|   |     |     |
|---|-----|-----|
| Communications Operators                  | 700 | 850 |
| Property Clerk/Animal<br>Control Officers | 750 | 850 |

  
\_\_\_\_\_  
GEORGE T. ROUMELL, JR.  
Chairman

May 27, 1999

# **PENSION BENEFITS** Effective Date 1/1/98

| County /Municipality           | Independent MERS Act 345 | Minimum Age / Years of Service  | FAC/ Formula Vested   | Post Retirement Adjustment              | Health Care post retirement (Y/N)   | Employee Contribution    |
|--------------------------------|--------------------------|---|---|---|---|--------------------------|
| City of Ann Arbor <sup>1</sup> | Independent              | Age 50 minimum age / 25 yrs service;<br>Age 55 / 10 yrs service   | 2.75% of first 25 yrs, 1.5% each yr after 25; FAC calculated on 5 highest consecutive of last 10 yrs of service | N                                       | Y   | 5%                       |
| City of Ypsilanti <sup>1</sup> | Act 345                  | 20 & out (no age restriction)   | 2.5% of FAC x yrs of service; FAC calculated on highest 3 consecutive yrs of the last 10 yrs of service         | N                                       | Y - spouse & dependent coverage may be purchased (\$148/month paid by City)   | 10% of gross wages       |
| Pittsfield Township            | MERS (C-2)               | Age 62 / 10 yrs service; Age 55 / 15 yrs service (F55/15)   | 2% of FAC x yrs of service; FAC calculated on highest 3 consecutive yrs   | N                                       | Y - Age 62 w/10 yrs service OR Age 60 w/15 yrs service OR Age 55 w/25 yrs service; retiree may purchase benefits for dependents | 5% of total compensation |
| Ingham <sup>2</sup> County     | MERS (B-4)               | F-55 - age 55 w/15 years of service; F-50 available w/complete cost paid by employee - age 50 w/25 yrs of service | 3.2% of FAC x yrs of service (was 2.5%); increase from 2.5% to 3.2% paid for by employees; 80% maximum of FAC   | E - 2% increase in retirement allowance | Y - full benefits as if employee continued to work (benefits for retired employee only)   | 10.4%                    |

<sup>1</sup> Do not contribute to Social Security

<sup>2</sup> F50/25 available for those employees that choose enhanced benefit; not automatic

| County<br>/Municipality          | Independent<br>MERS<br>Act 345                                    | Minimum Age /<br>Years of Service   | FAC/<br>Formula<br>Vested   | Post<br>Retirement<br>Adjustment                  | Health Care post<br>retirement (Y/N)  | Employee<br>Contribution                 |
|----------------------------------|---|---|---|---|---|--|
| Genesee<br>County                | Genesee County<br>Retirement System<br>(Independent)              | Age 60 / 8 Yrs<br>service; 20 & out (no<br>age restriction)   | 2.5% x FAC x years of<br>service up to a maximum<br>of 20 yrs plus 2.2% of<br>FAC of credited service in<br>excess of 20 yrs (not to<br>exceed 65% of the<br>employees FAC); FAC<br>calculated on best 2 years<br>of credited service prior to<br>termination | 3% for the first 5<br>yrs following<br>retirement | Y – full benefits as if<br>employee continued to<br>work (minimum 8 yrs<br>of credited service to<br>qualify)         | 2% of annual<br>compensation             |
| Monroe<br>County                 | Monroe County<br>Employee's<br>Retirement System<br>(Independent) | Age 60 / 8 yrs<br>service; Age 50 / 25<br>yrs of service  | 2.5% x FAC x credited yrs<br>of service (not to exceed<br>75% of the FAC); FAC is<br>monthly average of<br>compensation paid an<br>individual during the 36<br>consecutive months of<br>credited service  | N   | Y – full benefits as if<br>employee continued to<br>work  | 3% -- first<br>\$7,800; 5%<br>thereafter |
| St. Clair<br>County <sup>3</sup> | Independent   | Age 60 / 8 Yrs<br>service (any County<br>service); 25 & out<br>available for Sheriff<br>employment only;<br>Minimum age 55<br>w/25 years of<br>service (combined<br>County & Sheriff<br>employment) | 2% x years of services x<br>FAC; FAC = Best 5 of last<br>10   | N   | Y – full benefits if<br>employee has 20+<br>years of service; N – if<br>employee has less than<br>20 years of service | 5%                                       |

<sup>3</sup> Contract expired (1996)



| County /Municipality          | Independent MERS Act 345   | Minimum Age / Years of Service                        | FAC/ Formula Vested  | Post Retirement Adjustment | Health Care post retirement (Y/N)             | Employee Contribution              |
|-------------------------------|--|---|--|----------------------------|---|------------------------------------|
| Saginaw County                | MERS (B-4)   | F-50/25   | 2.5% x years of services x FAC; FAC = Best 5 of last 10 yrs of service   | N                          | Y – based on years of service (80/20 – 90/10) | Up to 8% of gross salary (pre-tax) |
| Saginaw County                | Saginaw County Defined Contribution Plan (Independent - ICMA) <sup>4</sup> | Age 55 / 6 yrs service                                | 2.5% x years of services x FAC; FAC = Best 5 of last 10 yrs of service   | N                          | Y – based on years of service (80/20 – 90/10) | 0-3%                               |
| Washtenaw – Current Benefit   | MERS (B-3) <sup>5</sup>  | F-50/25 – Age 50 w/25 yrs of service                  | 2.25% x FAC x yrs of service; FAC = Best 5 of last 10 yrs of service   | N                          | Y – spouse & dependents                       | 5%                                 |
| Washtenaw – Current Benefit   | WCERS <sup>6,7</sup>   | Age 60 / 8 yrs service; 20 & out (no age restriction) | To Age 62 = 2.5% x FAC x yrs of service; At Age 62 = 2% x FAC x yrs of service; FAC = Best 5 of last 10 yrs of service | N                          | Y – spouse & dependents                       | 5%                                 |
| Washtenaw – Requested Benefit | MERS (B-4) <sup>5</sup>  | F-50/25 – Age 50 w/25 yrs of service                  | 2.5% x FAC x yrs of service; FAC = Best 5 of last 10 yrs of service  | N                          | Y – spouse & dependents                       | 5%                                 |
| Washtenaw – Requested Benefit | WCERS <sup>6,7</sup>   | Age 60 / 8 yrs service; 20 & out (no age restriction) | 2.5% x FAC x yrs of service; FAC = Best 5 of last 10 yrs of service  | N                          | Y – spouse & dependents                       | 5%                                 |

<sup>4</sup> – Saginaw County – employees hired as of 1/1/95

<sup>5</sup> – Washtenaw County – employees hired on or after 10/1/95

<sup>6</sup> – Washtenaw County – employees hired prior to 1/1/89 (closed plan)

<sup>7</sup> – Washtenaw County – WCERS – Employer guarantee pension maximum of 75%; Employee can receive up to 87.5% of FAC if contributions support such benefit