

State of Michigan
Department of Consumer and Industry Services
Bureau of Employment Relations

In the Matter of Arbitration
Between
County of Jackson
And
Police Officers Association of Michigan

Act 312 MERC Case No. L01E9011

Background

The Agreement between the parties expired on December 31, 2001. The parties entered into negotiations and had a meeting of mediation on January 24, 2002.

On June 26, 2002 Mr. Marvin Dudzinski filed a petition for Act 312 arbitration on behalf of the union. A pre-conference was held by telephone and the parties requested additional time for negotiations so that a pre-hearing conference was not held until April 17, 2003. The Hearing was held on February 3, 2004 due to awaiting an actuarial report.

Appearing for the County
John McGlonehey – Advocate
Randall Treacher – Delegate

Appearing for the Union
James DeVries – Delegate and Advocate

Witnesses appearing
Marvin Dudzinski – Research Analyst POAM
Tom Griffin – POAM
William Rye – Management Consultant
Joni Johnson – Director of Human Resources, Jackson County

The issues before the panel were wages, health insurance, retirement, compensatory time and duration. The comparables were: Allegan County, Bay County, Calhoun County, Eaton County, Lenawee County, Muskegon County and Saginaw County. These were agreed to by the parties.

All issues before the Panel are economic issues, therefore the panel's choices must be the last best offer of one of the parties.

Wages – amount, extra step and retroactivity

On the issue of wages, the parties were not far apart. Both sides agreed to a 3% raise for the second and third year but differed on the first year where the Union sought 3.25% while the Employer offered 3% for the first year. The Union contends that the extra .25% requested for the first year would put the deputies more in line with the comparables while the Employer feels

that when one considers overall compensation, Jackson County's deputy sheriffs are easily comparable. The panel believes that the Employer's arguments are stronger and recommends its position of the 3% for each of the years of the contract.

Extra Step

The Union seeks an extra amount of \$500 for those with at least 8 years of service while currently the last step increase for this unit is after 5 years. The Union's main argument is that this extra step was granted in the Command Officer's Agreement and should be extended to the Deputies. The Employer felt that this was needed to provide a greater differential between the Command Officers and the Deputies but offered no agreement as to why a greater differential was necessary. The Panel agrees with the Union's position and believes that the Deputies should receive the same extra step increase that was awarded to the Command Officers.

Retroactivity

The Employer in its Last Best Offer offered wage retroactivity to January 1, 2004 while the Union asks for retroactivity for all worked hours effective January 1, 2002, the beginning date of this Award. However, the Employer gives no defense of its proposal for partial retroactivity except possibly its main argument of overall compensation.

The Panel agrees with the Union's position on wage retroactivity. It appears contradictory to offer a 3% increase for the first 2 years but not make it retroactive to that period. It would mean that the Deputies would be unilaterally bearing the loss caused by protracted negotiations, the delay in arbitration proceedings and other delays in concluding the Agreement. Almost all Act 312 arbitrations grant wage retroactivity to the beginning of the new Agreement period on issues such as wages. Other provisions might make selective dates of implementation sensible but wage increases should cover the period of the offer.

Health Insurances

The issue of health insurance costs has permeated every arbitration case with which this Arbitrator is familiar. The attempts by employers and unions to come to a fair and equitable solution are awesome.

In this arbitration the Union seeks maintaining of the status quo for several reasons. Among the reasons is the lateness of this arbitration in relation to the period covered by an Agreement. The Union contends that the Employer's offer is too complicated to be able to implement it within that short time span.

The Employer has proposed a different health plan sometimes referred to as the cafeteria plan. In it each employee will have a set amount available to choose those aspects or benefits most useful and relevant to them. This plan would half the rate of the rising costs of insurance. The plan would be administered by Blue Cross and replace the current Blue Cross plan which is sometimes referred to as "Boutique" coverage and considered by the Employer to be exorbitant in its cost.

The Employer also proposes to consult with the Union if the Employer seeks a change in carriers.

The Panel adopts the Employer's offer on health insurance even though it admits that it is a bit more complicated. Nevertheless, the Employer's offer represents a sincere attempt to reign in the costs of health insurance or at least have the members pick up a bit more of the costs.

This change takes effect July 1, 2004 through December 31, 2004. Another strong argument in favor of adopting the Employer's offer is that it has been adopted by the other bargaining units in Jackson County government.

Shift Differential

The Employer has proposed to raise the shift differential to \$0.50 per hour effective January 1, 2004. The Union did not object to this proposal nor submit any counter proposal and therefore the Panel adopts the Employer's offer on shift differential.

Compensatory Time

The Union proposes increasing the maximum number of compensatory time hours allowed to be carried into the next year from 40 hours to 60 hours effective January 1, 2004. The Employer proposes to maintain the status quo.

The main argument offered by the Union is that this is contained in the County's Agreement with the Command Officers. This seems to be a strong enough argument for the Panel even though many of the comparables make no provision for compensatory time. Therefore, the Panel supports the Union position on compensatory time.

It is expected that the Panel's position on these outstanding issues added to the issues in which the parties reached agreement prior to the Arbitration should provide the basis for a workable Agreement for the duration of this Agreement (January 1, 2002 through December 31, 2004).

Respectfully submitted

Bernard Klein

Bernard Klein
Arbitrator

5/13/04

Award

Wages - Amount

Panel adopts the Employer's offer of 3% for each year covered by this Agreement.

Bernard Klein
Bernard Klein
concur dissent

R. W. Treacher
Randy Treacher
concur dissent

James DeVries
James DeVries
concur dissent

Wages - Extra Step

Panel adopts the Union position of an additional step after 8 years of services.

Bernard Klein
Bernard Klein
concur dissent

R. W. Treacher
Randy Treacher
concur dissent

James DeVries
James DeVries
concur dissent

Wages - Retroactivity

Panel adopts the Union position of wage increase retroactivity effective January 1, 2002.

Bernard Klein
Bernard Klein
concur dissent

R. W. Treacher
Randy Treacher
concur dissent

James DeVries
James DeVries
concur dissent

Health Insurance

The Panel adopts the Employer's Last Best Offer on the issue of Health Insurance.

Bernard Klein
Bernard Klein
concur dissent

R. W. Treacher
Randy Treacher
concur dissent

James DeVries
James DeVries
concur dissent

Shift Differential

The Panel adopts the Employer offer on shift differential pay.

Bernard Klein
Bernard Klein
concur dissent

R. W. Treacher
Randy Treacher
concur dissent

James DeVries
James DeVries
concur dissent

Compensatory Time

The Panel adopts the Union position of increasing the hours of carrying over compensatory time from 40 to 60 hours.

Bernard Klein
Bernard Klein
concur dissent

R. W. Treacher
Randy Treacher
concur dissent

James DeVries
James DeVries
concur dissent

BK