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STATE OF MICHIGAN

DEPARTMENT OF LABOR

EMPLOYMENT RELATIONS COMMISSION

In the Matter of the Arbitration Between:

EATON COUNTY Act 312

-and- MERC L91-0690

LABOR COUNCIL MICHIGAN FOP

OPINION AND AWARD

Appearances

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Chairman of the Arbitration Panel: Kenneth P. Frankland

County Delegate: Jim Stewart

Union Delegate: Fred LaMaire

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INTRODUCTION

This matter is before a panel of arbitrators appointed pursuant to the terms of Act 312, Public Acts of 1929 as amended, for purpose of hearing and deciding unresolved issues in the new contract dispute between the parties. Petition for arbitration was initiated by the Union on December 12, 1991, by Richard R. Weiler, its director (J1). The County filed its answer on December 23, 1991 (J2). On May 26, 1992, pursuant to statute, Kenneth P. Frankland was appointed by the Michigan Employment Relations Commission to serve as chairman of the arbitration panel (J4). A pre-hearing conference was held on July 7, 1992, and the chair issued a summary of the pre-hearing conference on July 8, 1992 (J6). The parties agreed to submit lists of suggested comparable communities to each other by July 24. By August 14, the parties were to submit their lists of comparables to the chair, not to exceed ten on each side. The first hearing date scheduled in this matter was to be August 16. On or about September 28, the parties requested the chair conduct a separate hearing on the issue of comparable communities. By letter of September 29, the chair agreed to a hearing on comparability to be held on October 20 at the Eaton County Courthouse in Charlotte (J5).

The comparability hearing was conducted on October 20. The Union presented 16 exhibits and the testimony of Nancy L. Ciccone to explain the methodology and supplement the printed exhibits. The County presented exhibits identified as Chart A

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through Chart L, as well as a three-page report prepared by O. William Rye and the testimony of Mr. Rye regarding the methodology used by the County and the significance of the respective charts.

The opinion on comparability was issued on October 29, 1992, with the counties of Allegan, Calhoun, Clinton, Lapeer, Lenawee and Van Buren being recognized as communities comparable to Eaton County.

Substantive hearings were conducted on six unresolved issues on November 23, 1992. At the commencement of the hearing, the parties stipulated that the new collective bargaining agreement would be the old contract which expires 12/31/91 plus modifications by the parties as settlement on various issues and the award of this Panel on six issues. The parties had previously stipulated that the contract would be for two years, commencing January 1, 1992, through December 31, 1993. The six issues were identified as three for the Union and three for the County. The Union's issues were wages, reduction in pension contribution by the employee, and final average compensation called FAC-3. The County issues were sick leave, personal leave, and health insurance. The total record consists of 17 joint exhibits, 36 Union exhibits, 50 employer exhibits. In addition, the record includes the testimony of Ms. Nancy Ciccone on behalf of the Union and Mr. James A. Stewart and Mr. Oscar William Rye, Jr., for the County. Post-hearing briefs have been submitted by both parties, as well as final offers of settlement.

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DISCUSSION OF THE ISSUES

1. Wages

Union Offer - The Union requests across the board salary increases for all classifications; effective January 1, 1992, five percent (5%); effective January 1, 1993, five percent (5%).

County Offer. Effective January 1, 1992, the salary rates set forth in Appendix A for 1991 shall be increased by three percent (3%) across the board; effective January 1, 193, the salary rates set forth in Appendix A shall be increased by two percent (2%) across the board.

Each party in their brief provided an introductory discussion regarding Act 312, and Section 9 thereof, which contains eight factors for a panel to consider during its deliberation. This Panel is aware of the Section 9 requirements and in issuance of this Award will give due deliberation to each and to the best of its ability give weight to those factors which on the record are most relevant. In particular, the Panel is particularly cognizant of subsections (c), (d), (e), (f) and (g).

On this issue of wages, the Union originally proposed six percent in the first year and five percent the second year, and as its final offer is proposing five percent in each year. This is contrasted with the County's offer of three percent and two percent.

Section 9(c) requires the Panel to at least consider the financial ability of the municipality. It cannot be doubted in

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this record that in fact the County does have the ability to pay. The County never imposed the defense of inability, but simply offered Mr. Stewart's testimony at pages 35 through 39 and exhibits 4, 5 and 6 on this aspect of the case and justify its offer as most affordable. Cross examination, at pages 41 through 47, makes it abundantly clear that the County has been able to meet its obligations, the sheriff's budget is not an inordinate part of the total county budget, and the available SEV to support all county functions is at least comparable to that which is available in what we have defined as comparable communities.

Further, on page 46 of the transcript, Mr. Stewart admitted that at least 20 to 23 deputies' compensation packages are reimbursed by the Township of Delta. In other words, Delta Township contracts with the County to provide law enforcement services and the Township reimburses the County, although Mr. Stewart indicated it wasn't 100 percent of their actual cost. This reimbursement would be in addition to revenues produced by taxation in the SEV of the County. If Delta Township reimburses most of the cost for 20 to 23 deputies, and since there are only 50 deputies in this unit, the County is paying from its own resources for 27-30 deputies and the corrections officers. The County has also built a new jail recently, which opened in 1990 which necessitated the hiring of some employees and equipment. Mr. Stewart testified that a millage was passed that covered both the construction and the operating costs of the jail. The additional staffing for the new jail was taken out of the jail

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millage fund, which is not included in the sheriff's department general fund expenditures. In summary, the County hasn't argued that it doesn't have the ability to pay, only that its proposal on wages is an adequate improvement. The County's information regarding SEV is also skewered by the fact that they include all sworn officers, both non-supervisory and supervisory. This unit of course consists of 50 non-supervisory deputies and 24 corrections officers. Much was made of the fact that the legislature imposed a maximum tax assessment of 2.5 percent in 1992, but that freeze has been lifted for 1993. Although not expressed in this record, it is common knowledge that assessments have clearly increased beyond 2.5 percent and in some areas in double digits.

On balance, the Panel is very comfortable with the fact that it has reviewed Section 9(c) and in considering the interests and the welfare of the public and the County's financial ability, the award in this case will not break the bank.

With respect to wages in comparable communities, the parties have spent much time in their briefs arguing why their specific proposal is best. Each party uses as a base $28,854, the top deputy salary in 1991. Employer's Exhibit 31 shows that there are 39 officers at that level, with 11 officers between 6 months and 3 years. Thus, this unit is top heavy and 75 percent of the staff will get the top wage. Obviously, a percentage of a high base is more advantageous than a percentage of a lower number, but since both parties are using the same starting point, our analysis

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will also proceed from that figure.

The Union proposes to add five percent to the base, or $1,443, for a gross of $30,297 in the first year, and five percent of that, or $1,515, for a gross of $31,812 in the second year. In contrast, the County offers three percent of the base, or $866, in the first year, for a total of $29,720. In the second year, two percent of that is $594, for a total of $30,314. The difference between the two parties is $1,498 per deputy over two years, and times 50 deputies, would be $74,900, as calculated by the Panel. The Union's brief suggests that the total difference for the two year period is $1,548, which the Panel suspects is a mathematical error. For the corrections officers, both sides agree that the base is $26,831. The Union position would add five percent to that, or $1,342, for a total of $28,173 in the first year, and five percent of that, or $1,409, for a grand total of $29,582 in the second year. Conversely, the County offers three percent of $26,831, or $805, for a total of $27,636 in the first year, and two percent of that, or $553, for a total of $28,189 in the second year. The total difference over the two years between the offers for a corrections officer is $1,393, multiplied by the 24 officers is $33,430.

The Union argues that these numbers compute to an average two year salary increase for deputies of 7.08, and for corrections officers of 7.35. This is contrasted with the County's total offering of five percent over two years. The County, at pages 19 and 20 of its brief, illustrates comparable

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averages, comparable medians, County proposal, and Union proposal. Although there is nothing wrong with presenting the information in that format, the Panel prefers to look at it in terms of comparison with individual counties, rather than averages or medians. For example, on January 1, 1991, Allegan is paying $31,720, Clinton is paying $29,216, and Lenawee is paying $28,881. Eaton would be fourth at $28,854. Van Buren is less at $27,855, and Lapeer brings up the rear at $26,208. With three counties above it going into 1992, if the County's proposal of three percent is accepted, its base would then be $29,720, and bring it up to third behind Allegan at $32,989, Clinton at $31,145, with Calhoun a close fourth at $29,120. With the Union's proposal of five percent, which equates to $30,297, Allegan would still be ahead at $32,989, Clinton would be second at $31,145, Eaton would be third at $30,297, with Calhoun fourth at $29,120. Looking at it in this light, it would not be improper for the panel to pick the Union position, as Eaton County would be in mid-range, not top or bottom. Even if you look at it from an average of comparables, the average would be $29,877, and the County's offer would even be below that, with the Union's proposal being slightly above the average. Thus, whether you use an individual county analysis or use averages, there is persuasive information as to why the Panel should accept the Union first year position. Also, Union Exhibit 26 suggests that salary increases for command officers during the 1980-1991 period were 2.4 percent greater than that received by the deputies. The modest difference between the two proposals in

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this year, and by selecting the Union's proposal for this year, would have the effect of narrowing the gap between these two internal comparables.

For the second year of the contract, January 1, 1993, we are hindered by the fact that Allegan and Calhoun County, as well as Van Buren, do not have contracts or at least we have no information in the record as to what may have transpired for wages on January 1, 1993. This greatly affects computation of average and median salaries and when first and second year salaries are then averaged, the County proposal will look much better. In reality, the County relied heavily on averages for both years knowing the second year was not involved for these three counties. Thus, we are left with Clinton at $32,391, Lenawee at $29,458, Lapeer at $28,330. Having accepted the Union's proposal of five percent in the first year, the new base is $32,297, if we add five percent to that, we get $31,812, which would put Eaton second behind Clinton. If these four counties are averaged, Eaton would be about $1,300 above the average. This of course does not take into consideration that the 1992 base for Allegan at $32,989 is even greater than the Union's proposal of $31,812. It is also conceivable that Calhoun would receive some raise in the same range that we were discussing here, which would obviously bring the average up. Since Eaton's 1992 base is even higher than Lapeer's 1993 base, and is only $300 below Lenawee's 1993 base, it is the Panel's view that there is compelling reason to accept the Union's second year proposal.

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The Panel believes that each offer is for both years as a package, rather than splitting and taking either party's proposal for one of the years. We believe that the offer cannot be split and that the County's 2 percent could be accepted in the second year. We understand the offers to be accepted for both years. It is therefore the Panel's recommendation and its opinion that the Union's proposal for a five percent increase for both years should be awarded. As stated above, the gross increase for both deputies and corrections officers is not such a dramatic difference ($103,000) that it would adversely affect the County's overall financial situation, particularly when 20-23 of the deputies are reimbursed by Delta Township. Based upon the wages being paid to deputies in the comparable communities, the balance tips in favor of the more generous Union proposal rather than the moderate County proposal.

The Panel also believes that this Award is appropriate looking at Section 9(f), over all the compensation. The parties offered multiple exhibits regarding internal comparables, consumer price index, longevity schedules, holiday schedules, vacation schedules, sick leave programs, and the respective values of those. Suffice it to say that an analysis of all of those would indicate that on balance Eaton County neither leads nor trails, but is generally in the middle in most benefits (e.g., Employer Exhibits 22, 23, 24). Vacation accrual is virtually identical with all comparables. Paid holidays per year are identical with four comparables, and the longevity schedule is generally the

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average of the others. Although the parties spent some time cross examining witnesses on these exhibits on overall compensation the more critical component of the analysis is the actual wages paid to deputies in other comparables. That analysis, plus a lack of significant evidence in the exhibits on overall compensation to the contrary, reinforces the Panel's view that the Union proposal on wages more closely follows the relevant factors of Section 9.

DATED: 5/27/93

Kenneth P. Frankland, Chairman

DATED: 5/5/93

Jim Stewart, County Delegate
Concur___ Dissent✓

DATED: 5/5/93

Fred LaMaire, Union Delegate
Concur✓ Dissent___

2. Pension Contribution

Union Proposal - Amend Article 15, Section 9(f) so that effective December 31, 1992, the employees' contribution rates would be 5 percent, and effective December 31, 1993, the employees' contribution rate to the retirement plan would be 3 percent.

County Offer - Retain current language.

At the present time, the unit members contribute 6 percent as the employee's contribution rate to the retirement plan. Thus, in the first year, the Union wants to reduce by 1 percent and the second year to reduce it 3 percent from the

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current levels. As the initiating party for change, the Union argues that examination of joint exhibits 18 and 19 shows that the employer has not made an actual contribution on behalf of the employees since 1984. The County conversely claims that the fund is actuarily sound and that in 1987 they were 137 percent over-funded. The actuaries have indicated that if the funding gets down to 110 percent, then actual contributions would be required. Mr. Stewart testified that in the budget documents from 1991, 1992 and 1993, there was a number set aside in a reserve fund for contributions, but he further testified that in fact those monies were not actually set aside and were not submitted to MERS. The rationale for the Union's position is that since the County has not actually made any of these direct contributions to the plan, that the employee is getting short-shifted. If the plan is earning sufficient monies so that the County doesn't have to make a contribution, then the employees should receive some of that benefit by way of a reduction in their contribution rate. Even if that were persuasive, the argument fails to take into consideration the elements of the pension plan as contrasted with the comparable communities. The real question then is whether the benefits the employee derives from the plan should continue to be funded by less than the bargained 6 percent contribution level.

On this latter point, the County has presented numerous exhibits and an analysis in their brief which the Panel believes more closely follows the relevant factors in Section 9, and accordingly the Panel would adopt the County's position of no

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change. An examination of the various exhibits shows that the County's retirement plan provides for a 2.25 multiplier, the highest amount of comparables (County Exhibit 33). The number of years and final average compensation is the same in all comparables, as is the retirement age of 55. When the highest multiplier is applied against the final average compensation, the ultimate benefit to Eaton County employees is significantly greater than that of any of the other comparables (See chart, page 23, County Brief). It should be abundantly clear that the Eaton County pension program is clearly superior to those in any of the comparables. In order to afford such a program, the parties have previously agreed to 6 percent employee contribution. Although only one other county, Lenawee, has a 6 percent employee contribution, its multiplier is 1.8, or .07 percent below the County's. The lower multiplier obviously has a significant effect upon the ultimate benefit. A further explanation in support of the Panel's position would be the fact that the 6 percent contribution rate is also part of the sheriff supervisory and the deputy non-supervisory contracts (See County Exhibit 34). Thus, the internal comparables also suggest no change. Although other internal comparables have lower contribution rates, they also have much lower multipliers (1.7 percent). The County's contribution is higher than the average of the comparables (County Exhibit 25). If the Union's proposal is accepted, it would place the County even further disparate in relationship to the other comparables (County Brief p. 24; County Exhibit 25).

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The Panel is not unmindful of the fact that it has previously adopted the Union's position on wages. For it also to adopt the Union's proposal on lowering the contribution rate, there is validity to the County's argument that the Union would be getting a double benefit. They would be receiving higher wages for final average compensation, the multiplier would be the same so that the benefit would be increased, and yet the percentage of contribution toward that benefit would be shifted adversely to the County. In the absence of the parties bargaining collectively to alter the status quo on the pension component, and in light of the Panel's acceptance of the Union's wage proposal, the Panel does not believe that the relevant factors of Section 9 will support a change of the status quo.

DATED: 5/27/93

Kenneth P. Frankland, Chairman

DATED: 5/5/93

Jim Stewart, County Delegate
Concur ✓ Dissent ____

DATED: 5/15/93

Fred LaMaire, Union Delegate
Concur ____ Dissent ✓

3. Final Average Compensation

Union's Offer - To require implementation of a FAC-3 plan.

County Proposal - Maintenance of the status quo.

At the present time, the final average computation is based upon five years, and the Union proposes that the final

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average computation be based upon three years. The Union's argument on this issue is summary at best. Though incorporating by reference in their brief the arguments for reduction in employee contributions, that argument was flawed in the Panel's opinion, and thus reliance upon that flawed argument here means the offer must fail. The only argument supporting the Union's position is the commanding officers currently enjoying FAC-3 (Union Exhibit 30). That exhibit also shows that all of the other comparables have FAC-5 or they have a defined contribution plan. The fact that one internal comparable has FAC-3 does not outweigh the significance that none of the other external comparables has other than an FAC-5 plan. The County has also pointed out that there would be an impact of 3/4 of 1 percent to 1½ percent of payroll if three versus five years was adopted (County Exhibit 40). However, the benefit derived is minimal (County Exhibit 41). As the party initiating change, the Union has the burden of demonstrating by sufficient evidence on the record to shift from the status quo. In the absence of any concrete information as to why FAC-3 is better than FAC-5, the Panel has little choice but to accept the County proposal to maintain the status quo.

DATED: 5/27/93

Kenneth P. Frankland, Chairman

DATED: 5/5/93

Jim Stewart, County Delegate
Concur ✓ Dissent ____

DATED: 5/15/93

Fred LaMaire, Union Delegate

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Concur____ Dissent✓

4. Health Insurance

County Proposal - Revise Article 15 - Insurance and Pension Benefits - Section 1. Health Insurance by designating the current Section "1" as "1(a)" and by adding the following new subsection (b):

> (b) Payment in Lieu of Coverage. A regular, full-time employee as of September 1 of any year, excluding anyone whose status as employee has ended prior to that date, who is eligible for health insurance via another source and who executes an affidavit to that effect may elect not to be covered by the health insurance provided under this Article. The decision to waive coverage shall be made once per calendar year. A waiver agreement drafted by the County shall be executed by the employee. In the event the employee elects to forego health insurance, the County shall pay an amount of one thousand dollars ($1,000.00) into a deferred compensation plan as selected by the employee or directly to the employee as taxable compensation. The payment shall be made on an annual basis, as soon as possible after the first day of September. An employee is eligible for full payment if they have been eligible for Employer paid health insurance for the prior twelve (12) month period or a pro-rated payment if they have been eligible for less than the full twelve (12) month period. Employees losing health coverage from another source shall notify the County Personnel Department in time so that the employee and dependents, where appropriate, can be re-enrolled in a health care plan beginning the first day of the month following alternate coverage.
>
> In the event a husband and wife are both employees of the County, or of any of the Courts of Eaton County, the payment provisions in lieu of health insurance coverage as stated in the above paragraph shall apply. As long as there is a savings

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to the County in premium costs, a married couple can elect to have two County paid single subscriber coverages and still be eligible for the payment in lieu of health insurance (five hundred dollars ($500.00) each).

Employees eligible for payment in lieu of health insurance and who retire on a regular or disability basis shall be paid a pro-rated payment. Said payment shall be based on the number of months of full time service credited to an employee from the preceding September 1.

Revise Article 15 - Insurance and Pension Benefits - Section 3. Increased Premiums, to provide as follows:

Section 3. Increased Premiums.

To help defray the increased costs of health insurance premiums, employees (current and retiree) shall pay five (5%) percent of the total monthly health insurance premium effective July 1, 1993. Employee monthly contributions shall be made by payroll deduction. Employees shall sign, as condition of receipt of benefits under this Article, a payroll deduction authorization form authorizing such deductions.

Effective Date: July 1, 1993.

Union Proposal - Maintain status quo.

In its most abbreviated form, the County is proposing that for those employees who are eligible for health insurance from another source, to have the option to take a payment in lieu of health insurance coverage provided by the County. This would either be a $1,000 contribution to a deferred compensation plan, or would be paid $1,000 directly as taxable compensation. Additionally, the County seeks 5 percent employee contribution

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toward the monthly insurance premium. The Union position is to maintain the status quo; that is, that there be no employee contribution toward the insurance premiums nor $1,000 payment in lieu of coverage.

The County supports its proposal with the use of Exhibit 43 outlining aggregate increases of 55 percent for monthly premiums from 1987 to 1993. No one disagrees that costs have gone up, and as the Union has pointed out, these costs have obviously gone up in all of the comparable communities as well. Reference to Exhibit 44 indicates that four other comparable counties have no employee contribution. Only Allegan County has an employee contribution, which is 10 percent. Lenawee's contribution is $7 per pay period and cannot be translated into a percentage as we do not know what the monthly cost is. Thus, there is little or no support in the comparable counties for implementation of an employee contribution program. The Union has also pointed out that with respect to internal comparables, no other unit has an employee contribution.

The Panel will not try to determine whether the programs in other counties provide comparable benefits, since it is similar to comparing apples and oranges. Suffice it to say all programs have dental, which obviously increases costs, and all programs seem to have a prescription co-pay, which helps to decrease costs.

The evidence also shows through Union Exhibits 31A and 31B that although the Blue Cross Blue Shield program is expensive, Eaton County received a cash refund of $13,612 for the period

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09/89 to 08/90 and a refund of $38,148 for the period of 09/90 to 08/91. The gross increase in costs for the whole unit was approximately 15 percent, with the total gross premium being $514,859 in 1990, and $602,114 in 1991. Of that $88,000 increase in cost, apparently the County was entitled to a refund of $38,148. Whether they actually received it is unknown on this record.

The bottom line is that the record advanced in light of the relevant factors of Section 9 does not provide support for the County's proposal. Rising health care costs are very serious concerns and hopefully through collective bargaining, the parties might arrive at ways in which to have an acceptable level of service with less economic impact, or may bargain other items in the total package to achieve their objectives on health care. Suffice it to say that the record simply doesn't support the Panel's applying the Section 9 factors in favor of the County's proposal. Therefore, the Panel recommends that the status quo be maintained.

DATED: 5/27/93

Kenneth P. Frankland, Chairman

DATED: 5/5/93

Jim Stewart, County Delegate
Concur ____ Dissent ✓

DATED: 5/15/93

Fred LaMaire, Union Delegate
Concur ✓ Dissent ____

5. Sick Leave

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County's Proposal - Revise Article 10 - Unpaid Leaves of Absence and Sick Pay, Section 4. Sick Pay, as follows:

> Delete current Section 4(a) and Section 4(b) and replace with the following provision as subsection (a):
>
> (a) All full time unit employees shall be eligible to accumulate sick leave hours at the rate of 3.0 hours per pay period (pro-rated according to the actual number of hours compensated for). Paid sick leave may be accumulated to a maximum of five hundred (500) hours with no annual payment.
>
> Any employee who separates from employment with the Department or who retires and is immediately eligible for retirement benefits as defined by the Municipal Employee's Retirement System shall be paid for only fifty percent (50%) of their accumulated sick leave hours with the amount of pay for each such hour being based upon his/her most recent rate, or an average of his/her recent five (5) years' pay rate, whichever is higher.
>
> Renumber the remaining subsections in Section 4 to reflect the above.
>
> Effective Date: Date of Arbitration Award.

Union Proposal - Maintain status quo.

The current contract which was incorporated as a result of the prior Act 312 award, distinguishes between employees hired prior to January 1, 1990, and those after January 1, 1990. Prior to 1990, those employees may accumulate up to 552 hours at the rate of 3 hours per pay period. They also may receive 75 percent accumulated sick time upon retirement. In contrast, those hired after January 1, 1990, may accumulate only 500 hours at the rate of 3 hours a pay period, and when they retire, if they are immediately eligible for MERS they are paid 50 percent of

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accumulated sick leave.

Thus, the County wishes to eliminate the distinction between pre and post January 1, 1990, employees, eliminate the payment for hours in excess of 500, and change the reduction from 75 to 50 percent in sick leave payoff upon retirement. In essence, the County wishes to have one policy for all employees, irrespective of date of hire. Mr. Stewart's comment was simply that they wanted uniformity. They were trying to get away from large lump sum payoffs to certain employees who accumulate time before they leave. Beyond that explanation, there was no analysis of the economic impact; how much it would cost if certain employees retired, what the savings would be to the County, how it might affect the overall budget. Thus, as the Union suggested in their brief, the County has failed to establish any financial hardship from the current language, which apparently was adopted by the prior Act 312 panel. Since we have no written analysis from that panel, we don't know why the award was prospective only. We assume the intent is to grandfather those employees who were in the bargaining unit at the time of the award so that they wouldn't lose any benefits and new hires would not be disadvantaged because they would know exactly what the benefits are at their time of hire. Although Employer's Exhibit 48 shows that there is a $500 maximum payout on dispatch supervisors, supervisory sheriff department and non-union, the program for dispatchers is the same as this unit. The external comparables are not of much assistance because the maximum accumulation ranges from as little as 26 days

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in Lenawee to 1,080 hours in Clinton, and 170 days in Lapeer. Also, Allegan and Calhoun seem to have sickness and accident insurance coordinated with their sick leave pay out, so it is hard to analyze just what is happening in each of the counties. Suffice it to say that the external comparables do not add support to the County's position.

Analyzing all of the relevant factors of Section 9, it is the Panel's view that the status quo should be maintained. In the absence of any specific data regarding the financial impact, this Panel should not revisit what a prior panel has done. Without more, we are unwilling to do so on this record.

DATED: 5/27/93

Kenneth P. Frankland, Chairman

DATED: 5/5/93

Jim Stewart, County Delegate
Concur___ Dissent✓

DATED: 5/15/93

Fred LaMaire, Union Delegate
Concur✓ Dissent___

6. Personal Leave

County Proposal - Revise Article 13 as follows:

Section 1. Number.

All employees who have completed their probationary period shall be eligible for twenty-four (24) personal leave hours per calendar year. If an employee becomes eligible for personal leave days in the first (1/2) half of the calendar year, he shall receive twenty-four (24) hours in that year. If an employee becomes eligible for personal leave days in the second (1/2) half of the calendar year, he shall receive eight (8)

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hours in that year, and twenty-four (24) hours thereafter for each subsequent year.

Section 2. Advance Notice.

An employee must request personal leave at least one week in advance except in emergencies and, if the needs of the employer will permit, it shall be granted on a first request basis. If the needs of the employer do not permit it, the employee shall select another day.

Section 3. Lose If Not Used.

Personal leave hours may not be carried over to subsequent years. Unused personal leave hours in the year in which employment terminates shall automatically lapse.

Effective Date: Date of Arbitration Award.

Union's Proposal - Maintain status quo.

Under the current language, employees receive three personal leave days per calendar year. The record indicates that administratively, the County has changed the number of hours on a shift from 8 to either 10 or 12. Thus, under the old system, a person working an 8 hour shift, getting 3 personal leave days would receive a 24 hour benefit. But, it didn't matter whether the personal leave was expressed as days or hours. Now that the number of hours in a shift has been changed, the County suggests that Article 13 should be changed so that regardless of shift hours, no more than 24 hours would be earned. Mr. Stewart, in support of the proposal, simply said that the County feels that the issue is a matter of collective bargaining and would like to see the proposal back to where it was intended to be, which was 24 hours, when all employees were working 8 hour shifts. There was

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no discussion whatsoever regarding economic impact of this proposal. Employer's Exhibit 50 shows that non-union maintenance people receive 24 hours, sheriff's supervisory department receives 24 or 36 hours depending on the shift, dispatchers get 24 or 36 depending on the shift, and dispatch supervisors get 36. Thus, there is an internal comparable consistency that since the County went to the longer shifts, the employee received personal leave commensurate with the length of the shift. As the Union states in its brief, logic dictates that if an employee works a 10 hour day or 12 hour day, they should be entitled to a personal leave day equal to the length of that working day. Given the fact that the command officers in the same department receive personal days of equal length, it would be inappropriate for this Panel to grant the County's position. Accordingly, the Panel recommends the status quo be maintained.

DATED: 5/27/93

Kenneth P. Frankland, Chairman

DATED: 515193

Jim Stewart, County Delegate
Concur___ Dissent✓

DATED: 5/15/93

Fred LaMaire, Union Delegate
Concur✓ Dissent___

CONCLUSION

The Panel has assiduously looked at all the relevant factors of Section 9 on each of the issues. It is fairly clear that the most perplexing issues separating the parties were wages

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and pension benefits. The vast majority of the testimony, as well as exhibits, was on those issues. On balance, the Panel is comfortable that this award is fair and equitable. The County is not impoverished by any stretch of the imagination, and the economic increases attributable to this award are not intolerable, particularly as some of the expense of this unit is reimbursed by another political subdivision. Hopefully some of this discussion and the opinion expressed will be helpful to guide the parties in future deliberations.

Respectfully submitted,

Dated: 5/27/93

Kenneth P. Frankland, Chairperson

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DISSENT

The Opinion and Award issued in this matter contains several clear errors which must be commented on in this dissenting opinion. The Opinion and Award indicates that the property tax freeze was imposed in 1992, but lifted for 1993. Property tax revenues are received and budgeted for by Michigan Counties in the year after they are assessed. The property tax freeze in 1992 affects the County's 1993 Budget and the possible lifting of the freeze would have no impact on the County's Budget until 1994 which is outside of the scope of this award. The Wage Award will indeed have a serious negative financial impact on the County's 1993 Budget. This Panel Member disagrees with the Chairperson's view expressed in the Opinion and Award that "the award in this case will not break the bank".

A second concern deals with the Chairpeson's treatment of the parties' final offers with respect to wages. The Opinion and Award indicates that the Panel "believes that each offer is for both years as a package, rather than splitting and taking either party's proposal for one of the years". This was never discussed in any of the hearings, in any Panel discussions, in any Final Offers of Settlement, or in any Post-Hearing Briefs submitted. This Panel member, and I believe the Unions's Panel member as well, fully expected that the Wage Offers would be treated as separate issues by year as is common practice in Act 312 procedures. Neglecting to do this resulted in a very unrealistic award in these economic times which will have a negative impact on the operation of Eaton County government for many years to come.

James A. Stewart