

2129  
In the Matter of Statutory Act 312 Arbitration and Factfinding between:

PRESQUE ISLE COUNTY

Employer,

-and-

POLICE OFFICERS LABOR COUNCIL,

Union.

---

MERC Case No. <sup>L</sup>05 A-3001

**FINDINGS, CONCLUSIONS, ORDERS**  
**(AND FACTFINDING RECOMMENDATIONS)**

BEFORE AN ACT 312 PANEL CONSISTING OF:

BENJAMIN A. KERNER, Neutral Chair  
John H. Gretzinger, Employer Delegate  
Jerry Caster, Union Delegate

BENJAMIN A. KERNER, Factfinder.

Hearing: March 13, 2006  
Rogers City, Michigan

Appearances:

For the Employer:

John H. Gretzinger  
Nantz, Litowich, Smith & Girard

For the Union:

Thomas R. Zulch  
Law Offices of John A. Lyons, P.C.

Also present: Wendy Berg, Thomas H. Hanson, Robert Hughes, Stephen Lang,  
Renee Szymanski, and Gary Wozniak.

Dated: May 25, 2006

**BACKGROUND.**

The Union filed a petition dated September 12, 2005, for Act 312 arbitration in a group composed of the following classifications: Dispatcher (4 employees currently) and dispatcher /correctional officer (1 employee currently). The issues in dispute were listed as follows:

Holidays (Article 12)

Payment of Health Insurance (Article 15.2)

Payment in lieu of Health insurance (Article 15.7)

Dental insurance (Article 15.8)

Optical insurance (Article 15.8)

Vacations (Article 13)

Retirement (FAC) (Article 16)

Wages for each year of the contract.

Duration of contract.

Concurrently, the Union filed a factfinding petition covering the remaining employees in the bargaining unit. Those classifications include: correctional officer (4 employees currently), Clerk/ Correctional Officer (1 employee), Head Cook (1 employee), and Cook (2 employees). The factfinding petition lists the same issues in dispute as the Act 312 petition. The undersigned was appointed on December 1, 2005, as both Neutral Chair of an Act 312 panel with respect to the Act 312-eligible employees and as Factfinder with respect to the factfinding-eligible group of employees.

I held a pre-hearing conference by telephone on January 17, 2006, at which both petitions were discussed. The parties agreed on a number of points, as follows. They agreed that the comparable communities, based on past Act 312 proceedings, should include Alcona County, Alpena County, Benzie County, Crawford County, Cheboygan County, Kalkaska County, Mackinac County, Mis-

saukee County, Montmorency County, Ogemaw County, Oscoda County and Otsego County. The parties agreed on important particulars concerning how the case would be presented on the day of hearing. The parties confirmed that there were no outstanding issues in factfinding, other than the issues listed in the petition. It was agreed to hold a combined hearing, in which the Panel composed of John H. Gretzinger, Jerry Caster, and Benjamin A. Kerner would hear the Act 312 issues, and Benjamin A. Kerner, sitting as the solo Factfinder, would hear those same issues with respect to the factfinding group of employees. This hearing procedure contemplated that a single award document would be issued, as shown on the title page of this document. Findings and conclusions will be made with respect to each issue in dispute. There follow the Orders of the Act 312 Panel (applicable to Dispatchers and Dispatcher/ Correction Officer) and the Recommendation of the Factfinder (applicable to the Correctional Officers, the Clerk/ Correctional Officer, the Head Cook and the Cooks).

One other important preliminary matter was decided by the Panel immediately following the hearing in the case on March 13<sup>th</sup>, 2006. The parties had not been able to agree on the duration of contract, the Union insisting that the new contract be for the period of 3 or 4 years, the Employer taking the position that a 2 year contract should be instated, based on the termination dates of other contracts to which the County is a party. The County showed that the Sheriff's Deputies contract, in which the Police Officers Labor Council is the bargaining agent, and the general County employees unit, in which the United Steelworkers of America is the bargaining agent, both have contracts which expire on December 31, 2006. The County has been successful in getting all these bargaining units to agree to the same health insurance plan. Now there are significant issues with regard to the County's demand to have employees reimburse part of the health care premium. The County argues that the dis-

patcher group should not be "out front" of the other two units, by having a contract extend into 2007 or 2008, when bargaining is imminent for the other two groups, for time periods beginning in January 2007. Thus, the County wishes to have the Act 312 award limited to the contract years 2005 and 2006.

The Union argues that there is the prospect in 2007 of paying for two arbitrators to come in, one for the Sheriff's Deputies and the other for the Dispatchers group, if the parties hereto settle for a 2 year contract. The Union argues that such a prospect is not very efficient.

The Panel, citing the traditional factor of the Employer's significant interest in having coordinated bargaining on health care / health care premium reimbursement decided and reiterates here that the duration of contract will be for two years, beginning January 1, 2005 and ending December 31, 2006.

Finally, by way of preliminaries, it should be pointed out that when the parties presented their Last Best Offers to the Panel, it was obvious that two subjects, formerly in contention, had been resolved. The proposals on Payment of Health Insurance and Optical Insurance were substantially equivalent or precisely the same. Thus, without need for further discussion, the final contract between the parties will include the agreement of the parties on the subjects of Payment of Health Insurance and Optical insurance.

### **BASIS FOR DECISIONS.**

The governing statute makes clear on what grounds a panel can base its awards. They are contained in Section 9 of the statute, MCL 423.239, as follows:

- (a) The lawful authority of the Employer.

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

## FINDINGS, CONCLUSIONS, AND ORDERS.

### 1. Holidays.

The Last Best Offer of the Union is to add each employee's birthday to the current list of holidays for a total of 11 holidays.

The current, or expired contract, contains a listing of 10 recognized holidays. (New Year's Day, Martin Luther King Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, Christmas Day, and New Year's Eve) (Article 12.1) The Employer proposes that there be no change in the expired contract.

The Union pointed out that the comparable group of communities have an average of 12 holidays in their collective bargaining agreements. Of the eleven communities that have dispatcher classifications, eight comparables have 12 or more than 12 holidays. (Alcona, Alpena, Crawford, Mackinac, Missaukee, Ogemaw, Oscoda, and Otsego. U. Exh. 7) The Dispatchers in Presque Isle also have 3 floating personal leave days available to them. (Article 10.11) So, too, do most of the comparable communities, have at least three personal days available. Thus, the total number of days available for time off as holidays or personal leave is 13 days or more in 9 of the 11 comparable communities. However, the total number of days available for time off as holidays or personal leave is 14 days or more in only 4 of the comparables (Crawford, Missaukee, Mackinaw, and Ogemaw).

The employees of this bargaining unit work a 24-hour, 7-day-a-week schedule. Thus, if a holiday is granted, "The costs of the holiday is 8 hours pay if the employee does not work on their holiday and 12 hours pay if they work on their holidays." (E'er.'s brief, p. 37) Thus, for dispatchers, the cost of the non-worked holiday is \$83.20; the cost of the worked holiday is \$124.80. It is the Employer's position that these additional costs are not justified, either by the

external comparables or by the internal comparable of the Sheriffs' Deputies unit. The latter group, also represented by the P.O.L.C., have ten holidays currently and are also granted three days of paid personal leave each year. The Employer submits that the internal comparison which employees are bound to make of the benefits available to Sheriff's Deputies dictates a "no change" solution to the question of holidays. Such a solution would allow for consistency in holiday scheduling and holiday pay within the Sheriff's Department.

Analysis and Conclusions. The factor of the wages, hours, terms and conditions of employment of the employees performing similar services in the same employer, MCL 423.239(d), is of signal significance.

Employees here the subject of Act 312 will look over their shoulders at the working conditions of Sheriff's Department employees, and be more immediately aware of such working conditions, and only secondarily will they be concerned about the working conditions of other counties' dispatchers, located miles away, around the upper northern tier of the Lower Peninsula. The Sheriff's Deputies do not have more than 10 days' paid holidays or more than 13 days' paid holidays and personal leave combined. This is a governing feature of the current situation as it affects the Dispatchers' claim for more holidays.

In addition, it does not appear from an examination of the external comparables that this Employer is out-of-line in its holiday pay provisions, when looking at holidays combined with personal leave. The modality of the combined rankings is 13 days of paid leave time. It cannot be said that the provision of 10 holidays plus 3 paid personal leave days is parsimonious or unsupported by the working conditions of employees in other comparable communities.

ORDER and RECOMMENDATION. In the Act 312-eligible group, and in reliance on the factor of the condition of employment of other employees of the Employer performing similar services, MCL 423.239(d), a majority of the Panel

adopts the the Employer's last best offer on the subject of Holidays. The Employer's delegate concurs in this Order; the Union's delegate dissents. The Factfinder makes the same recommendation in regard to the employees who are factfinding-eligible.

## 2. Dental Insurance.

The Union proposes to add dental coverage "the same as the Presque Isle Deputies' collective bargaining agreement." The reference is to Traditional Plus dental health coverage (\$1,000 per individual per year max.) including CDC-FC (family continuation 19-25) with RC/25/50 (75% payment of Class I and 50% payment on Class II and III).

The Employer's last best offer is to add the following new section:

**Article 15.8. Dental Insurance.** Employees will be permitted to participate in the Dental Insurance plan available to deputy Sheriffs, provided that they pay 100% of the cost of this coverage.

The evidence shows that a dental plan is in effect for Sheriff's deputies and for elected officials. The cost is \$34.20 for single subscriber coverage; \$76.95 for two person coverage; and \$92.44 for family coverage. [2006 rates, per E'er. Exh. 23]

The majority of counties with dispatcher classification have provided some form of dental insurance. Only Mackinac, Montmorency, and Oscoda from the list of 11 comparables have no such coverage. (Cheboygan has no comparable rank.) For corrections officers, it is the same story: Nine of relevant comparables have provided some form of dental insurance. Only Mackinac and Montmorency from the list of 11 comparables have no such coverage. (Oscoda has no comparable rank.)



**Analysis and Conclusions.** In view of both internal comparables and external comparables, the Panel is persuaded that dental insurance is an idea whose time has come for Presque Isle dispatchers. In addition, the evidence supports a recommendation for the correction officers that they, likewise, be afforded Employer-paid dental coverage, of the type described in the Union's proposal.

**ORDER and RECOMMENDATION.** In reliance on the factors of what is the working condition for other employees of the Employer and for similarly-situated employees in comparable communities [MCL 423.239(d) and MCL 423.239(d)(i)], in the Act 312 case, a majority of the Panel adopts the Union's last best offer on the subject of dental insurance coverage. The Union's delegate concurs; the Employer's delegate dissents. The Factfinder makes the same recommendation in regard to the employees who are factfinding-eligible.

### 3. **Payment in lieu of health insurance.**

The Union's Last Best Offer is, "Increase opt out payment to \$300 per month. In the event the Deputy Dental Plan is awarded, then the opt-out payment remains status quo at \$200 per month."

The Employer's last best offer is to continue the status quo of a \$200/month opt-out payment.

**Analysis and Conclusions.** A majority of the Panel is convinced that the Union's offer, in the alternative, of \$200/ month opt-out payment in lieu of health insurance is reasonable. Inasmuch as this figure agrees with the Employer's Last Best Offer, the proposal is adopted.

**ORDER and RECOMMENDATION.** Thus, in reliance on the factor of stipulations of the parties [MCL 423.239(b)] all members of the Panel in the Act 312 case are persuaded to adopt the proposal for payment in lieu of health

insurance of \$200/ month. The Factfinder makes the same recommendation in regard to the employees who are factfinding-eligible.

#### 4. Retirement plan.

The Union proposes that the Final Average Compensation in its retirement plan for Dispatchers and Dispatcher/ Correction Officers be changed from FAC-5 to FAC-3.

The Employer proposes that the FAC in the retirement plan remain unchanged.

The evidence at hearing included the testimony of Wendy Berg that, "We're the only unit in the courthouse and sheriff's department that has the FAC-5. Everyone else has the FAC-3." (Tr. p. 61) The evidence also established that FAC-5 is in effect for dispatchers in 8 of the comparable communities; FAC-3 is in effect for 3 of the comparable communities (Montmorency, Ogemaw and Oscoda). With respect to Corrections Officers, 6 comparable communities (Alcona, Benzie, Kalkaska, Mackinac, Missaukee, and Otsego) provide FAC-5; and 5 comparable communities provide FAC-3. (Alpena, Cheboygan, Crawford, Montmorency, and Ogemaw).

The Union provided an actuarial report with its brief, in which the costs of the new FAC-3 benefit are identified to a new division of the Union's represented unit of all Dispatchers, Dispatcher/ Correction Officer, Clerk/ Correction Officer, Correction Officers, and Head Cook. (Part-time Cooks are not eligible for this retirement plan.) The "carve out" was intended to be for all Act 312 eligible employees, being the 4 Dispatchers and the 1 Dispatcher/ Correction Officer.

However, the report by the actuary shows clearly that the group constituting the carved-out division is composed of only 4 employees, not 5 employees. Thus, the conclusions of the actuary are understated to the extent that the new division does not include one eligible employee.

The Employer argues that the terms of the Public Employee Retirement Systems Investment Act, MCL 38.1132 indicate that the decision-making body shall consider the actuarial analysis of the proposed change, including "an analysis of the long-term costs associated with any proposed pension benefit change." Absent such information, argues the Employer, the Act 312 Panel is without authority to order a requested change in a pension plan. The Employer relies upon MCL 423.239(a), the lawful authority of the Employer, or lack of it in this case, for its position that the proposed FAC-3 change in pension plan should not be adopted.

Analysis and Conclusions. A majority of the Panel is persuaded that the terms of the actuaries' break-out of a division of the Employer's Act-312 eligible employees is inaccurate; and subject to the complaint that the costs of the benefits described thereby are understated.

However, with respect to the factfinding-eligible group of employees, it is not as clear that the legal requirements of the Public Employee Retirement Systems Investment Act have not been met. The factors in favor of granting the FAC-3 benefit are strong: The other employees of the County, including Sheriff's deputies, general employees (represented by the Steelworkers) and elected officials all have the FAC-3 benefit. In addition, a majority of the comparable com-

munities that have Corrections classifications provide the FAC-3 benefit. It is inevitable, therefore, that the Factfinder must recommend to the parties for the factfinding group that they adopt the FAC-3 improvement in the retirement plan, provided the legal requirements of the Public Employee Retirement Systems Investment Act are satisfied (about which the Factfinder makes no finding).

**ORDER and RECOMMENDATION.** For the reason above-stated, and in reliance on MCL 423.239 (a), a majority of the Panel is of the opinion that the Employer's last best offer should be adopted. The Employer's delegate concurs; the Union's delegate dissents.

For the reason that the comparable communities as well as the other employees of this public Employer are afforded the FAC-3 benefit as part of their retirement plan, the Factfinder recommends that the FAC-3 benefit be adopted with respect to Correction Officers and the Head Cook.

#### **5. Vacations.**

The current schedule of vacations, in accordance with years of service is listed below. The Employer proposes to keep the current schedule of vacations.

| <b><u>Years of Service</u></b>    | <b><u>Current</u></b> |
|-----------------------------------|-----------------------|
| At least 1 year, but less than 2: | 5 days                |
| At least 2 but less than 8 years: | 10 days               |
| At least 8 but less than 9        | 15                    |
| At least 9 but less than 10       | 16                    |
| At least 10 but less than 11      | 17                    |
| At least 11 but less than 12      | 18                    |
| At least 12 but less than 13      | 19                    |
| At least 13 years                 | 20                    |

The Union proposes to add a step for employees with over 20 years of service, to be granted 23 days of vacation.

At the level of 20 years of service, the median number of vacation days among the comparables is 24.5. In addition, the largest number of the comparable group of counties continue to provide greater number of vacation days, after 20 years of service, the median for 25 years of service being 24 days. (The current contract calls for 20 vacation days for 25 years of service.) Thus, says the Union, the external group of comparable employees shows that the improvement it seeks in its proposal is warranted at the high end of the seniority roster.

The Employer proposes the status quo, and points out that the County has had no difficulty recruiting or retaining employees in the ranks of the dispatchers, or in the ranks of correctional officers, cooks and head cook. Thus, the Employer would conclude that no improvement in the fringe benefit of vacations is needed.

Analysis and Conclusions. The evidence in support of the Union's proposal is convincing. Other comparable counties—counties that both parties have agreed represent a fair cross-section of employers and bargaining units to utilize in evaluating these employees' wages, hours, terms and conditions of employment—show conclusively that the improvements sought by the Union are reasonable and justified. Thus, in reliance on MCL 423.239(d)(i) the Panel concludes that the improvement in vacation eligibility, as defined in the Union proposal, is the more reasonable and should be adopted.

ORDER and RECOMMENDATION. In the Act 312-eligible group and in reliance on the factor of what is the working condition for similarly situated employees in comparable communities, MCL 423.239(d)(i), the Panel adopts the

Union's last best offer on the subject of vacation eligibility. The Union's delegate concurs; the Employer's delegate dissents. The Factfinder makes the same recommendation in regard to the employees who are factfinding-eligible.

#### 6. Wages, 2005.

The current wages as expressed in the expired collective bargaining agreement are as follows:

|                | Starting | 1 Yr. | 2 Yr. | 5 Yr. | 10 Yr. |
|----------------|----------|-------|-------|-------|--------|
| Dispatcher     | 9.40     | 9.60  | 9.80  | 10.20 | 10.40  |
| Dispatch/Corr. | 9.80     | 10.00 | 10.20 | 10.60 | 10.80  |

The Union proposes a schedule of wage increases as follows:

|                | Starting | 1 Yr. | 2 Yr. | 5 Yr. | 10 Yr. |
|----------------|----------|-------|-------|-------|--------|
| Dispatcher     | 9.40     | 9.70  | 10.00 | 10.50 | 10.90  |
| Dispatch/Corr. | 9.80     | 10.10 | 10.40 | 10.90 | 11.30  |

The Employer proposes to increase all steps of the salary schedule for the classifications of Dispatcher and Dispatcher/Corrections by 3.00% to be paid retroactively to 1-1-2005. This would result in the following wage scale for these two classifications as of January 1, 2005:

|                | Starting | 1 Yr. | 2 Yr. | 5 Yr. | 10 Yr. |
|----------------|----------|-------|-------|-------|--------|
| Dispatcher     | 9.68     | 9.89  | 10.10 | 10.51 | 10.71  |
| Dispatch/Corr. | 10.09    | 10.30 | 10.51 | 10.92 | 11.12  |

The Employer would also provide an additional wage increase for Dispatchers as of the end of the day on 12-31-2005 of \$0.41. As of the last day on December 31, 2005, the following wage scale would be in effect for these two classifications:

|                | Starting | 1 Yr. | 2 Yr. | 5 Yr. | 10 Yr. |
|----------------|----------|-------|-------|-------|--------|
| Dispatcher     | 10.09    | 10.30 | 10.51 | 10.92 | 11.12  |
| Dispatch/Corr. | 10.09    | 10.30 | 10.51 | 10.92 | 11.12  |

The Employer provided evidence of the wage increases negotiated with other organized groups of Presque Isle County. The Deputy Sheriffs, represented by P.O.L.C., received a 3.0% wage increase in 2005. The maintenance and clerical employees, represented by the Steelworkers, received an increase of \$0.25/hr. in 2005.

The Union submitted evidence to show that the wage history of Presque Isle Dispatchers has been that they are in 12<sup>th</sup> (in 2002) or 13<sup>th</sup> place (in 2003) among the group of 13 comparables. The Union submitted evidence showing that the average of 10 comparables for 2005 was \$29,215, as compared to Presque Isle, which was \$27,082. This places the Presque Isle Dispatchers last among the 11 comparables (Cheboygan had no comparable rank in 2005 and Otsego wages were not determined as of the date of the parties' briefing of this matter.) The Union argues that the members of the bargaining unit are "severely underpaid under any analysis." The Union concludes that a significant or major increase in wages is called for.

The Employer argues that "the County's 2005 wage proposal provides all employees with larger wage increases and more retroactive pay than the POLC proposal and also results in large increases in the overall wage scale." (E'er. brief, p. 26).

The Employer also argues that the cost of living calculated by the Bureau of Labor Statistics, the so-called CPI Urban Consumers (Midwest area) shows an increase for 2003 of 1.9%; an increase for 2004 of 2.4%; and an increase for 2005 of 3.2%. The Employer would argue further that the Headlee Millage Reduction Factor should be used in calculating the amount of tax money that can be collected in a current year and has been rising just over 1% per year. As applied to Presque Isle, says the Employer, "in 2005 Presque Isle County could only increase its tax collections from 2004 by 2.30%; and in 2006 Presque Isle County could only increase its tax collections from 2005 by 2.30%." (E'er. brief, p. 7).

Analysis and Conclusions. For the Act 312-eligible group, the factor of the wages paid to other employees of this Employer performing similar services, MCL 423.239(d), is of paramount significance. The Union's proposal includes wage increases for Dispatchers of 1% (1<sup>st</sup> year), 2% (2<sup>nd</sup> Year), 2.9% (5<sup>th</sup> Year) and 4.8% (10<sup>th</sup> Year). Comparing the wages of Dispatchers with those of other employees of the Employer performing similar services, it can readily be seen that the increase demanded by the Union at the highest step (10<sup>th</sup> Year) is well above the level of increases granted in collective bargaining to other represented employees. The Panel must give significant weight to this factor, inasmuch as it represents the considered result of voluntary collective bargaining in which this Employer has participated with other organized groups, including this Union.

No evidence was submitted in regard to the cost of living.



A majority of the Panel is not convinced that the low standing of Presque Isle Dispatchers in comparison to other counties' dispatchers necessarily warrants the pay increases demanded by the Union, particularly at the high end of the wage scale.

Finally, the existing wage disparity between Dispatchers and Dispatcher/Correction Officer has been addressed in the Employer's proposal to pay an additional \$0.41 to Dispatchers at the end of 2005. The only difference between the work of the two classifications is that the Dispatcher/Correction Officer is available to perform Correction Officer duties, where the Dispatcher is not. This is not seen as a strong reason to deny pay equity to the two job classifications covered by the Act 312-eligible group. Thus, the Employer's proposal has the additional benefit of eliminating this disparity.

The factor of the wages paid to other employees of this Employer performing similar services, MCL 423.239(d), indicates that the Employer's proposal is logically the more supportable proposal for those classifications that are Act 312 eligible.

---

For the factfinding-eligible classifications, the current wage structure is as follows:

|             | Start | 1 Yr. | 2 yr. | 5 Yr. | 10 yr. |
|-------------|-------|-------|-------|-------|--------|
| Clerk/Corr. | 10.65 | 10.85 | 11.05 | 11.45 | 11.65  |
| Corr. Off.  | 10.55 | 10.75 | 10.95 | 11.35 | 11.55  |
| Head Cook   | 9.20  | 9.40  | 9.60  | 9.90  | 10.10  |

|      |      |      |      |      |      |
|------|------|------|------|------|------|
| Cook | 8.90 | 9.10 | 9.30 | 9.60 | 9.80 |
|------|------|------|------|------|------|

The Employer proposes an across-the-board increase of \$0.25 effective upon date of ratification of an agreement.

The Union proposes the following increases:

|             | Start | 1 Yr. | 2 yr. | 5 Yr. | 10 yr. |
|-------------|-------|-------|-------|-------|--------|
| Clerk/Corr. | 10.65 | 10.95 | 11.25 | 11.75 | 12.15  |
| Corr. Off.  | 10.55 | 10.85 | 11.15 | 11.65 | 12.05  |
| Head Cook   | 9.20  | 9.50  | 9.80  | 10.20 | 10.60  |
| Cook        | 8.90  | 9.20  | 9.50  | 9.90  | 10.30  |

The wage increases proposed for Correction Officer can be compared with the wage increases granted to other employees of this Employer. The clerical and maintenance employees received a \$0.25 per hour increase in 2005. The deputy sheriffs, court officers/ animal control personnel represented by the P.O.L.C. in the Deputy Sheriff's unit, received increases of 3.0% in 2005. Non-represented employees received a \$0.25 per hour increase in 2005.

Another useful comparison is between the wage history of the Correction Officers and the wage history of other similarly situated employees of comparable jurisdictions. Union Exhibit 6 shows that the Correction Officers were ranked 12 out of 12 for 2002 wages; they were ranked 12 out of 12 for 2003 wages and they were ranked 11<sup>th</sup> out of 11 for 2004 wages. In dollar amounts, the discrepancy between Presque Isle Correction Officers and the average of the comparables was \$4,388 below the average in 2002; \$5,277 below the average in 2003; and \$5,942 below the average in 2004.

It can be seen that the Employer's proposal provides a higher level of increase at year 1 and year 2. However, the Union proposal provides higher increases at Year 5 and at Year 10. There is no justification on this record for orienting higher amounts of increases towards the higher steps.

In view of the fact that the Employer's proposed wage scale affords pay raises equivalent to those granted to other groups of its employees, it is recommended that the factfinding-eligible group receive the Employer-offered \$0.25/hr. wage increase for 2005.

**ORDER and RECOMMENDATION.** For the Act 312 group, based on the factor of the wages paid to other employees of this Employer performing similar services, MCL 423.239(d), the Employer's wage proposal for 2005 is accepted by a majority of the panel. The Employer's delegate concurs; the Union delegate dissents.

For the factfinding-eligible group, based on the discussion above, the Factfinder recommends that this group be granted a wage increase of \$0.25 to all classifications, at all steps.

#### **7. Wages, 2006.**

The Employer proposes an across-the-board increase of 3.0% for the classifications of Dispatcher and Dispatcher/Correction Officer to be paid retroactively to 1-1-2006. In addition, the Employer's 2006 proposal makes the two later steps in the salary grid payable at an earlier time, after 3 years and after 4

years, instead of after 5 years and after 10 years. Thus, the Employer's proposal is as follows:

|                | Starting | 1 Yr. | 2 Yr. | 3 Yr. | 4 Yr. |
|----------------|----------|-------|-------|-------|-------|
| Dispatcher     | 10.39    | 10.61 | 10.83 | 11.25 | 11.45 |
| Dispatch/Corr. | 10.39    | 10.61 | 10.83 | 11.25 | 11.55 |

The P.O.L.C. proposes the following salary schedule for 2006:

|                | Starting | 1 Yr. | 2 Yr. | 5 Yr. | 10 Yr. |
|----------------|----------|-------|-------|-------|--------|
| Dispatcher     | 9.40     | 9.95  | 11.25 | 12.00 | 12.50  |
| Dispatch/Corr. | 9.80     | 10.35 | 11.65 | 12.30 | 12.55  |

The Employer argues that its proposal achieves generally more favorable treatment of employees, and results in a higher wage quicker than the P.O.L.C. proposal. "The County has attempted to follow the wage step pattern that is in effect in the rest of the Sheriff Department since the other POLC agreement [for the Sheriffs Deputies] uses a Start, 1 year, 2 year, 3 year, 4 year and 5 year top schedule for deputies and sergeants. The County also believes that the wage scale must have earlier raises to ensure that employees who are hired and trained as dispatchers are willing to remain as employees." (E'er. brief at 34-35).

The Employer's proposal, in its view, is supported by the wage increases granted to other, similarly situated employees of the Employer. The Sheriff's deputies have been granted a 3.0% wage increase for 2006. The clerical and maintenance employees, represented by the Steelworkers, have received a \$0.35/ hr. increase for 2006.

Under the Union's proposal, a significant jump in wages occurs at year 2, where the increase is 12.5% over the proposed previous year's wage levels for Dispatchers. That is followed by a 14.2% increase in the 5<sup>th</sup> year over the

proposed previous year's wage levels, and a 14.6% increase in the 10<sup>th</sup> year over the proposed previous year's wage levels.

---

With respect to the factfinding-eligible classifications, the Employer offers a \$0.35 increase effective the date of ratification. The Employer clarifies its position on retroactivity as follows: "The County is not suggesting that retroactivity be provided for these classifications unless its entire economic package for the Act 312 unit is adopted. In that event, the County will have sufficient funds to authorize retroactive payment of these raises." (E'er. brief, p. 22).

The Union proposal for the factfinding-eligible unit is as follows for 2006:

|             | Start | 1 Yr. | 2 yr. | 5 Yr. | 10 yr. |
|-------------|-------|-------|-------|-------|--------|
| Clerk/Corr. | 10.65 | 11.20 | 11.50 | 12.15 | 12.65  |
| Corr. Off.  | 10.55 | 11.10 | 11.40 | 12.05 | 12.55  |
| Head Cook   | 9.20  | 9.75  | 10.05 | 10.60 | 11.15  |
| Cook        | 8.90  | 9.45  | 9.75  | 10.30 | 10.80  |

Analysis and Conclusions. In the Act 312-eligible unit, in percentage terms, the increases for Dispatchers recommended by the Union over its proposed 2005 wage levels range from 2.6% at the 1-Year level to 12.5% at the 2-Year level, to 14.2% at the 5-year level, to 14.6% at the 10-Year level. These increases have no rational relationship to the historical amount of increases—or current increases—granted to other employees of the Employer performing similar services. It should be noted specifically that the increases paid to sheriff's deputies in 2006 are limited to 3.0% of wages.

The Union offers the wage history of Dispatchers at other, comparable communities, and that history shows that Presque Isle has ranked 12<sup>th</sup> in 2002;

has ranked 13<sup>th</sup> in 2003; has ranked 11<sup>th</sup> in 2004; under the Union's proposal would rank 11<sup>th</sup> in 2005; and under the Union's proposal would rank 7<sup>th</sup> in 2006.

The wage histories indicate that the Presque Isle Dispatchers have been at or near the bottom of the group of comparables. The Union's proposal effectuates some improvement; while the Employer's proposal keeps a stable relationship with the comparables. There is no imperative in Act 312 that indicates a group should improve vis-à-vis its comparables. A majority of the panel do not see that the low standing of Presque Isle Dispatchers in comparison with other counties' dispatchers necessitates a dramatic pay increase at the upper levels of the wage structure, such as the Union demands here.

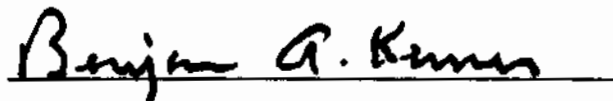
In addition, one factor that appears from the Employer's proposal as meritorious is the compression of step increases into the first 4 years of an employee's tenure with the Employer, rather than stretching the step increases over 10 years. That part of the Employer's proposal has the advantage of giving recognition earlier for continued service, and thus would assist the Employer to retain its trained, qualified work force.

---

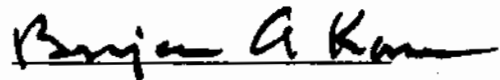
In regard to the factfinding-eligible group, the same considerations apply, except that the Employer has not proposed compressing the step ladder into 4 years. The Union suggested wage increases at the 10 year level amount to 4.1% for Clerk/ Correction Officer, 4.1% for Correction Officers, 5.2% for Head Cook, and 4.8 % for Cooks. Other than the comparison of these classifications with other employees at comparable employers, a factor discussed above, there is no justification for the relatively large increases at the top level of the wage scale. By contrast, the Employer's suggested level of increases, \$0.35/ hr. at all steps of the wage scale results in wage increases of 2.9—3.8% of wages.

**ORDER and RECOMMENDATIONS.** For the Act 312-eligible group, and based on the factor of the wages paid to other employees of the public Employer performing similar services, MCL 423.239(d), a majority of the Panel accepts the Employer's last best offer. The Employer's delegate concurs; the Union's delegate dissents.

For the factfinding-eligible group, the factor of wages paid to other employees of this Employer, generally, indicates that a wage increase of \$0.35 is reasonable and it is accordingly recommended. In addition, it is recommended that the wage increase be made retroactive to January 1, 2006, notwithstanding the fact that not all of the Employer's proposals have been accepted for the Act-312 group.



Benjamin A. Kerner  
Neutral Chairperson, Act 312 Panel



Benjamin A. Kerner  
Factfinder

---

Jerry Caster, Union Delegate,  
Concurring in part, Dissenting in part.

---

John H. Gretzinger, Employer Delegate  
Concurring in part, Dissenting in part.

Dated: May 25, 2006

**ORDER and RECOMMENDATIONS.** For the Act 312-eligible group, and based on the factor of the wages paid to other employees of the public Employer performing similar services, MCL 423.239(d), a majority of the Panel accepts the Employer's last best offer. The Employer's delegate concurs; the Union's delegate dissents.


For the factfinding-eligible group, the factor of wages paid to other employees of this Employer, generally, indicates that a wage increase of \$0.35 is reasonable and it is accordingly recommended. In addition, it is recommended that the wage increase be made retroactive to January 1, 2006, notwithstanding the fact that not all of the Employer's proposals have been accepted for the Act-312 group.

---

Benjamin A. Kerner  
Neutral Chairperson, Act 312 Panel

---

Benjamin A. Kerner  
Factfinder



---

Jerry Caster, Union Delegate,  
Concurring in part, Dissenting in part.

---

John H. Gretzinger, Employer Delegate  
Concurring in part, Dissenting in part.

Dated: May , 2006



ORDER and RECOMMENDATIONS. For the Act 312-eligible group, and based on the factor of the wages paid to other employees of the public Employer performing similar services, MCL 423.239(d), a majority of the Panel accepts the Employer's last best offer. The Employer's delegate concurs, the Union's delegate dissents.

For the factfinding-eligible group, the factor of wages paid to other employees of this Employer, generally, indicates that a wage increase of \$0.35 is reasonable and it is accordingly recommended. In addition, it is recommended that the wage increase be made retroactive to January 1, 2006, notwithstanding the fact that not all of the Employer's proposals have been accepted for the Act-312 group.

---

Benjamin A. Kerner  
Neutral Chairperson, Act 312 Panel

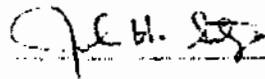
---

Benjamin A. Kerner  
Factfinder

---

Jerry Casler, Union Delegate,  
Concurring in part, Dissenting in part.

---

 5-25-2006

John H. Gretzinger, Employer Delegate  
Concurring in part, Dissenting in part.

Dated: May , 2006