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# MICHIGAN DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY MICHIGAN EMPLOYMENT RELATIONS COMMISSION BUREAU OF EMPLOYMENT RELATIONS

PETITIONING PARTY:

WAYNE COUNTY DEPUTY SHERIFF'S ASSOCIATION/POAM (Union or POAM)

AND

MERC CASE NO: 19-D-0909-CB

**RESPONDING PARTY:** 

WAYNE COUNTY (Employer or County)

# PANEL OPINION AND AWARD

# **COMPULSORY ARBITRATION**

Pursuant to Public Act 312 of 1969, as amended [MCL 423.231, et seg]

# **Arbitration Panel**

Chair: Charles Ammeson Employer Delegate: Joseph Martinico Union Delegate: David LaMontaine

# Advocates

Employer Advocates: Kenneth Wilson and Michael Cox Union Advocate: Kevin Loftis

PETITION(S) FILED: February 9, 2021

PANEL CHAIR APPOINTED: February 23, 2021

SCHEDULING CONFERENCE HELD: March 24, 2021

HEARING DATE(S) HELD: June 15-17, 2021; July 12-14, 19-21, 2021

AWARD ISSUED: November 17, 2021

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- 8. Allen Cox, Corporal and Union Second Vice-President
- 9. Daniel Pfannes, Wayne County Executive Chief
- 10. Reginald Crawford, Corporal and Union President
- 11. Matthew Carmona, Wayne County Labor Analyst
- 12. Michael McCabe, Undersheriff Oakland County
- 13. David LaMontaine, Union Business Agent

# 1. INTRODUCTION AND BACKGROUND

The Employer in this matter, Wayne County, Michigan (Employer or County) and the Police Officer Association of Michigan (Union or POAM) are parties to a Collective Bargaining Agreement (CBA) dated October 1, 2015 through September 30, 2019, extended through September 30, 2020. The POAM bargaining unit consists of all full-time Police Officers and Corporals permanently employed by the County of Wayne performing non-supervisory law enforcement work. The majority of bargaining unit members work in the Wayne County Jail. Many work in "fresh air" positions outside the jail. The number of road patrol deputies is quite limited compared to the size of the bargaining unit

The CBA was negotiated and ultimately agreed to after the Michigan Department of Treasury Financial Review Team issued a report on July 21, 2015 concluding that a financial emergency existed in Wayne County (Ex. 207), Wayne County entering into a Consent Agreement with the State of Michigan in 2015 (referenced in Ex. 211) as permitted under PA 436. Most, if not all of the Employer's organized employees subsequently entered into concessionary collective bargaining agreements. POAM was one of the first bargaining units to reach a concessionary successor CBA with the Employer after the Consent Agreement was granted by the State. To the Employer's and all the bargaining units' credit, the concessions and other responses enabled the Employer to avoid bankruptcy over the past 6 years, despite chronic fiscal challenges.

The concessionary collective bargaining agreements with most of its twelve bargaining units, including POAM, addressed wage, active and retiree healthcare and pension concessions. All Employer unions, including POAM, agreed on pension reforms. Most, if not all the other bargaining units negotiated wage freezes, which freezes were generally implemented for non-represented staff as well. The present POAM unit was

excepted from a wage freeze, as recommended in the Recovery Plan (Ex. 208) and the Employer agreed to negotiate wage increases in attempt to make POAM's wages more competitive.

To put the financial emergency in perspective, it is noted that the Financial Review Team observed:

- The County routinely violated Public Act 2 of 1968 which requires each local government to amend its appropriations (spending) whenever it anticipates a deficit;
- The County routinely failed to file or filed deficient financial audits regarding its spending;
- The County had an accumulated deficit of \$156.4 million;
- The County had no deficit elimination plan, nor had not filed one with Treasury during any of the prior 5 years, when the County first entered a structural deficit;
- Aside from the funded ratio of the pension dropping to 45.1%, "the unfunded liability of the (of the pension) increased to more than 18 times its 2004 level."

See Exhibit 207. Regarding jail operations, the Financial Review Team observed that there are too few officers, estimating the amount of overtime at nearly 1,000 hours per day.

Since 2015 there have been further losses in the number of bargaining unit Officers in the Sheriff's Department, continuing the understaffing in the jails. Generally speaking, in 2011 there were approximately 1197 sworn Officers in the Sheriff's Department. In 2020 the number of sworn Officers decreased to 692. The Employer's Chief financial officer does not dispute that there are approximately two hundred budgeted but vacant positions in the Sheriff's Department. POAM members are being required to work excessive amounts of overtime on a daily and weekly basis to staff the jails. Estimates provided the Financial Review Team indicate 1,000 hours per day (Ex. 207).

It is not an overstatement to characterize the Wayne County Jails, where most of these bargaining unit member work, as dangerous. Just over a year ago one bargaining unit member was attacked and killed in the jail in the midst of the covid-19 pandemic, which pandemic further complicated jail operations.

The record testimony is replete with references to significant COVID-19 Response Assistance the Employer received (perhaps \$209 million) under the Coronavirus Aid Relief and Economic Security Act (CARES). In March 2021, the United States Congress passed the American Rescue Plan Act (ARPA) of 2021, pursuant to which the record testimony confirms that the Employer believes it is expected to receive \$339 million. Although the Employer argues that the Panel should not receive evidence of such funding because neither the Panel nor the State may prescribe or prohibit how the Employer uses such funds, the Panel determined that the existence of such funding is relevant to the issues at hand, including the many other responsibilities the County has as well. The Panel notes that ARPA funds are not to be deposited into pension funds, and guiding principles provide they should be generally used for nonrecurring expenses. ARPA funds, however, may specifically be used to replace lost public sector revenue due to the pandemic and premium pay for essential workers. The Panel observes that the COVID-19 pandemic negatively impacts the Employer's ability to pay because of the additional costs incurred because of the pandemic. Likewise, the additional funds affect the ability to pay positively, mitigating against such additional costs to a certain extent.

Meanwhile, the parties tend to agree that the Employer is no longer lurching month-to-month between bankruptcy or emergency management, or the prospect of payless paydays, and the Employer suggests the County is no longer flaunting state fiscal laws. The Employer maintains, however, that it is still in a precarious position when compared with its municipal peers, including the comparable communities selected by this Panel. The Union counters that its unit members are in a precarious position as well, exacerbated significantly by understaffing due to noncompetitive wage scales and the associated risks inherent in jail operations, all compounded by the covid-19 pandemic, which took a large toll on unit members.

Both the Union's and the Employer's response to the fiscal crisis can be characterized as remarkable. Although the Employer's bond ratings remain below most comparable communities, the Employer's bond ratings have been upgraded significantly because of the Recovery Plan and operational reforms implemented since 2015. Although the Employer and its unions have made significant strides toward financial stability in the

past six years, they still face enduring obstacles that require continued and constant vigilance, including the determination by the Michigan Supreme Court set forth in its opinion in Rafeli v Oakland County, 505 Mich 429 (2020), finding that the practice of county treasurers taking the surplus value from the sale of properties foreclosed by operation of the General Property Tax Act was an unconstitutional taking, eliminating same as a source of revenue and creating a potential claim against the County general fund.

Meanwhile, the severe understaffing and overtime problem at the Employer's jails continues, which the parties concur and acknowledge leads to extensive and expensive overtime costs for the Employer

Additionally, it must be recognized that the Sheriff is a constitutional officer and statutorily assigned the essential responsibility for the charge and custody of the jails of his county, and of the prisoners in same. MCL 51.75. Burdened with that responsibility, the record demonstrates that the Employer has incurred significant other stresses, being the failure of the half-built new jail that was halted at the Gratiot site in 2013 after cost overruns, and torn down in 2018, which site was exchanged for building a new criminal justice complex north of Warren and the new jails, perhaps to be completed in 2022/23.

Given the above stresses, as well as the stresses of the COVID-19 pandemic, the parties hereto participated in several dates of mediation during the fall of 2020, to no avail and of which this Chairperson is generally uninformed. By February 8, 2021, the Union determined to file its petition for Act 312 Arbitration identifying eleven issues, most which remain, supplemented by Employer identified issues pertaining to Gun Carriers, Start of Work Week and Call Out for Overtime.

Hearings were scheduled for and completed in nine hearing dates in June and July 2021, as set forth above. Post Hearing Briefs were exchanged by September 24, 2021.

It is against this historical background which this Panel's assessment, analysis and determination regarding the issues at hand commences.

# 2. STATUTORY CRITERIA

The findings, opinion and orders of the panel must be based upon the following factors:

# MCL 423.239

- Sec. 9. (1) If the parties have no collective bargaining agreement or the parties have an agreement and have begun negotiations or discussions looking to a new agreement or amendment of the existing agreement and wage rates or other conditions of employment under the proposed new or amended agreement are in dispute, the arbitration panel shall base its findings, opinions, and order upon the following factors:
- (a) The financial ability of the unit of government to pay. All of the following shall apply to the arbitration panel's determination of the ability of the unit of government to pay:
- (i) The financial impact on the community of any award made by the arbitration panel.
- (ii) The interests and welfare of the public.
- (iii) All liabilities, whether or not they appear on the balance sheet of the unit of government.
- (iv) Any law of this state or any directive issued under the local financial stability and choice act, 2012 PA 436, MCL 141.1541 to 141.1575, that places limitations on a unit of government's expenditures or revenue collection.
- (b) The lawful authority of the employer.
- (c) Stipulations of the parties.
- (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 in both of the following:
- (i) Public employment in comparable communities.
- (ii) Private employment in comparable communities.
- (e) Comparison of the wages, hours, and conditions of employment of other employees of the unit of government outside of the bargaining unit in question.
- (f) The average consumer prices for goods and services, commonly known as the cost of living.

- (g) 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.
- (h) Changes in any of the foregoing circumstances while the arbitration proceedings are pending.
- (i) Other factors that 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.
- (j) If applicable, a written document with supplementary information relating to the financial position of the local unit of government that is filed with the arbitration panel by a financial review commission as authorized under the Michigan financial review commission act.
- (2) The arbitration panel shall give the financial ability of the unit of government to pay the most significance, if the determination is supported by competent, material, and substantial evidence.

# Ability to Pay.

The Panel has specifically considered ability to pay and both the Report of the Wayne County Financial Review Team (Ex. 207) and the Recovery Plan (Ex. 208), having received evidence from the Employer confirming decades long population drops, with a sizable portion of the drop occurring as recently as the past 15 years; and a attendant drop in housing units, all which have seriously and negatively impacted Employer revenues, significantly distinguishing the Employer's circumstances from comparable communities in the labor market in which the Employer competes. There can be no doubt that the Employer is constrained in its ability to pay, and the Panel does not need to belabor that point.

The Panel was also reminded by the Employer's evidence that the Employer community is more significantly saddled with socioeconomic issues of poverty, unemployment and the like, perhaps to a greater degree than many of the comparable communities. The Panel observes that this is a two-edged sword, corroborating to a

certain extent that the Employer's ability to pay is not a temporary or short-term issue, but on the other hand underscoring the essential need to maintain a viable jail.

The Wayne County Financial Review Team July 21, 2015 Report was also considered instructive to the Panel, its report documenting that Employer has logged considerable overtime in regards to jail operations caused by too few officers; inadequate compensation and insufficient opportunities for advancement, making it difficult to recruit and retain high quality employees, no County or Union official disagreeing that it would be more prudent to hire additional officers than to continue to pay exorbitant overtime. Exhibit 207.

To the Employer's credit, the Employer acknowledges that much of the Employer's financial dilemma was incurred due to mismanagement, including pension mismanagement and distribution of extra pension payments to retirees when the market was high; and maintenance of retiree healthcare. Similarly, the unions deserve credit for stepping-up during prior concessionary negotiations.

Current Employer management and unions appear to have undertaken a wise and thoughtful approach to the many issues which have been thrust upon them, apparently without fault attributable to them. These efforts and concurrent positive events such as the jail site exchange have been of great benefit, and the Panel agrees with the characterization that the results have been remarkable, although it is clear that Wayne County is not yet "out-of-the woods" so-to-speak. Economic and socioeconomic vagaries still threaten.

One positive circumstance is the provision of economic stimulus offered on a national basis, being the Coronavirus Aid, Relief and Economic Security (CARES) and American Rescue Plan (ARPA) Acts funding. The Panel is unpersuaded by the Employer's argument that such funding should not be received in evidence. Having eloquently and convincingly persuaded the Panel that the Employer's ability to pay has been impacted by a host of negative circumstances, many which were self-imposed by prior Employer administrations, the Panel rejects the notion that such funding is irrelevant and prejudicial as argued by the Employer. Such funding is simply part of the whole picture. Although the Panel agrees that it has no ability to order which funds the

Employer may or may not use for a specific purpose, the fact remains that all funds available to the Employer are relevant, even if they are limited to use for other Employer obligations, the fact being that such funds lessen the impact of such other obligations and revenue losses. As such they are relevant.

Another positive impact is the exchange of several of its jail facilities and the failed jail site on Gratiot Avenue for a multi-building criminal justice facility, even though a significant expense to the County.

On the other hand, the County recovery has not been without unexpected restrictions, including the Consent Order and Settlement Agreement entered by the Wayne County Circuit Court on July 20, 2018 setting forth minimum staffing levels for the jail, which Consent Order continues to recognize recruiting as a critical component in maintaining viable jails.

As such, the above negative and positive circumstances demonstrate that the Employer's fiscal issues are counter-balanced by the clear and convincing evidence that the Employer has a very severe recruiting and retention problem, losing correction officers on a regular basis and being unable to recruit replacements in the competitive labor market. Unlike private and even other governmental operations that can be curtailed and shutdown, it is nigh impossible and certainly ill-advised not to maintain a viable jail. The Employer has found a way to build a new jail. The Employer must find a way to man both the existing jails in the meantime and the new jails when they come online. The welfare and interest of the public is a factor that weighs heavily in the Panel's determination.

Thus, on one hand this Panel observes and agrees that the Employer has an impaired ability to fund all its functions. On the other hand, given the extreme overtime demand; the associated dangers of overworked personnel; and the additional cost of addressing such issues with forced "premium" overtime pay, it is arguable that the Employer and Wayne County as a whole cannot afford not to address the jail staffing and quality issues by enhancing labor market competitiveness, confirmed by the Wayne County Financial Review Team and the Consent Order. As acknowledged by the Employer in its post-hearing brief, the Employer, in the midst of the financial emergency

and consent order with the State of Michigan, "...negotiated wage increases with POAM in attempt to make POAM's wages more competitive with its peers." To this Panel, the Employer's ability to pay is primarily a matter of prioritization of the many County expenditure demands; management of overtime hours; and optimizing competitive wages in the labor market.

This conclusion is also supported by the Wayne County Recovery Plan ("Recovery Plan" Ex. 208), which recommended a 5% pay reduction generally across the board for all employees, but specifically excluding the jail, certain prosecutors and nurses, the Recovery Plan specifically identifying "The inability to hire and retain Sheriff deputies in Wayne County at adequate levels to staff the jails has been a significant problem. A part of the problem has been the starting salaries for Wayne County Sheriff Deputies which is the lowest of the 5-county surrounding area...." "The inability to hire an adequate number of deputies, coupled with a consent order to maintain 574 security personnel for all three of County's Jails, results in huge overtime costs.

It is reasonably clear to this Panel that past efforts to make wages at the jails more competitive have not succeeded. The problem still exists and the Employer efforts in this regard must be revisited.

Overall, the Panel agrees with its statutory mandate to give ability to pay the most significance, if the determination is supported by competent, material, and substantial evidence. The Panel has chosen to give ability to pay paramount consideration as to each issue, balancing the priority of how maintaining the status quo will impact the Employer's overall ability to maintain effective jail staffing and operations against the prospect of continuing excessive and costly overtime burdens, while equitably balancing the burden of concessions amongst all employees.

# Comparability

Both parties identified the City of Detroit, Michigan as comparable. Regarding the remaining comparables, the Chairperson observes, similarly to Chairperson Richard Block in 2012, that neither party tended to identify any other particular Employer as comparable (Ex. 236). Given the wide range of proposed comparables, from counties in

other states as remote as 350 miles, and cities with a population of about ½ of a percent the population of Wayne County, selecting comparables was more a process of elimination rather than selection.

As it turns out, the Employer circumstances are in stark contrast to most of the other comparables, particularly regarding economic circumstances. As such, the Panel determines that individual comparison with the other comparables will not provide much assistance in assessing and evaluating the issues at hand. Similarly, averaging the comparables is not the most telling.

What is telling is that the Employer wages fall below each and every comparable for the following wage parameters: base salary/hourly rate; holiday pay; and total wage compensation (excluding benefits). The most compelling comparables endorsed by the Employer are the City of Detroit and Oakland county Corrections Officers, given Detroit's economic circumstances and the fact that Oakland Corrections is solely corrections officers, the subject bargaining unit being mostly corrections officers. Nevertheless, the Employer wages fall substantially below even those two comparables alone by 6% to 16%. Although the Employer points out that its burden for pension contributions (a remarkable 46%) is 3 to 4 times the contribution rates for most of the comparables, such comparison is misleading in fact. As the Employer points out, its pensions are only 65% funded (remarkably up from 45% since 2014).

Consequently, this Panel observes that utilizing the overall pension contribution rate to adjust current bargaining unit compensation as comparable to other communities is inappropriate. Doing so essentially attributes the full burden for prior administrations' mismanagement as a compensation benefit to bargaining unit members. However, the 46% figure suggested by the Employer is not compensation to bargaining unit members. It is extraordinary compensation for the extraordinary benefits prior administrations provided to former employees, long gone, most of whom were not in the present bargaining unit. Most of the 46% figure is borrowed compensation to past employees and not compensation to current employees. It is not only inequitable to attribute that full burden as compensation to current employees of the County, but disingenuous to the extent it implies that current employees across all Employer units are reaping some type

of benefit of such extraordinary prior mismanagement, particularly when the current employees across the Employer units made significant pension concessions under the prior CBAs, which concessions still remain an unfair burden on current employees.

The bottom line, no matter which comparables are used, the Employer's base salary/wage rates fall significantly below geographically comparable base salary/wage rates in comparable communities.

Moreover, it is obvious that wages across all private and public employers are currently under significant pressure. Competition for employees is perhaps as significant as ever in recent history.

# **Basic Economics**

Although the percent change in the Consumer Price Index hovered just under or above 2% annually since the last CBA, current data evidence that the annual increase over the last 12 months is at 5.3%.

# Interest of the Public

It is obvious that the public has a strong interest in all policing matters. Given the exceptional overtime experience and demands at the Employer's jails, the associated extraordinary understaffing levels and the Consent Order, the public interest in maintaining a viable and fully staffed jails is obvious and of considerable concern which this Panel must evaluate. Similar to ability pay, it is a paramount concern.

# Other Factors

The statute also allows this Panel to consider other factors. One such factor is the bargaining relationship between the parties. The Employer, its unions and its employees have faced a daunting and formidable situation. The history set forth above shows a commendable level of understanding and cooperation. The results are similarly laudable and even remarkable. This Panel is mindful that its determination must serve to enhance the levels of cooperation demonstrated in the past.

This Panel is also mindful of concerns for internal equity and the tendency to anticipate pattern demands internally. Equally important when assessing internal equity is to equitably compare job demands. As an extreme example, it is commonly understood that the experienced County Manager or Executive will receive greater compensation than a newly hired laborer. In the present situation the Employer and its employees outside the present bargaining unit must be educated to understand and appreciate the differences in job demands associated with the Wayne County Jails.

There was no evidence that a large number of employees outside the present POAM unit have essential jobs which require maintenance of a 24/7 operation; are subject to extraordinary forced overtime demands that in some cases require employees to be compensated at over 4 times their base salary for a year; were not allowed or required to work remotely during the pandemic; had anywhere near the percentage incidence of COVID-19 infection as the POAM bargaining unit; or are paid substantially less than others doing similar work outside the community.

The Wayne County Recovery Plan (Ex. 208) recognized that the circumstances surrounding POAM unit members must be distinguished from other County employees as well. The same appears to hold true today. The fact remains that the jails are terribly understaffed, more so than other County departments or functions.

As such, these other factors have been considered and weigh into the Panel's determinations below.

# 3. STIPULATIONS AND PRELIMINARY RULINGS [e.g., Duration]

On or about May 1, 2021 the Panel, after briefing by the parties, issued preliminary determinations that the panel will consider the comparables identified below; that the Gun Carrier issue shall be treated as a noneconomic issue; and that the Start of Work Week issue shall be treated as an economic issue. The parties stipulated and agreed at the Scheduling conference on March 24, 2021 that all remaining issues shall be treated as economic issues.

On June 7, 2021, the Union withdrew a previously identified "Reserves" issue.

Prior to submission of Last Best Offers (LBOs), the Union withdrew the previously identified "Uniform Allowance" and "Hours of Work" issues and advised that the October 1, 2015 "Letter Agreement Retiree Healthcare" would be extended until September 30, 2023, effectively eliminating that issue.

During the first day of hearing, June 15. 2021 the parties stipulated that AFSCME Council 25, Local 3317 AFL-CIO is a recognized bargaining unit with the Wayne County jails representing supervisors.

During the last day of hearing, July 21, 2021, the parties stipulated that since the Hardwick May 21, 2021 memorandum (Ex. 107) there have been numerous occasions where staffing has been below five in the main jail on a floor.

# 4. COMPARABLES

The parties both identified the City of Detroit, Michigan as a comparable to be considered. The Union proposed the Michigan cities of Dearborn, Livonia, and Taylor; Macomb County; Oakland County Patrol Officers; and Michigan State Police as comparables. The Employer proposed the Michigan counties of Genesee, Saginaw; Michigan cites of Benton Harbor and Flint; Oakland County Correction Officers; Michigan Department of Corrections; and counties of Milwaukee Wisconsin and Cuyahoga Ohio.

After careful deliberation, this Chairperson was persuaded that it would be appropriate for the panel to consider and evaluate information regarding comparability by considering the following comparables:

Detroit City
Genesee County
Saginaw County
Oakland County Corrections
Oakland County Officers
Macomb County
Dearborn City
Livonia City

The Employer Delegate dissented as to Oakland County Officers, Macomb County, Dearborn and Livonia Cities. The Union Delegate dissented as to Genesee County, Saginaw County and Oakland County Corrections.

The reasoning for the comparable determination was set forth in the Panel's May 1, 2021 Preliminary Opinion /Determination and is incorporated as if fully set forth herein, as amended by the comparability comments above.

# 5. ISSUES BEFORE THE PANEL

# a. DURATION (ECONOMIC)

# Last Best Offers.

The Union's LBO provides that Article 46 of the CBA should allow for a 3-year CBA and reads "This collective bargaining agreement shall remain in full force and effect through September 30, 2023 when it shall expire on its terms without notice to either party."

The Employer's LBO provides that Article 46 of the CBA should allow for a 2-year CBA and reads "This collective bargaining agreement shall remain in full force and effect through September 30, 2022 when it shall expire on its terms without notice to either party."

# Discussion

The Union presented Mr. Bryz to testify in support of a contract with a 3-year duration. The essential evidence and basis for the Union's position appears to be that several comparables currently have 3-year contracts; a two-year duration would effectively send the parties back to the bargaining table in short order, and the parties' labor management relationship would benefit from a break from the recent bargaining stresses resulting in the present Act 312 Petition; and that given the expected opening of the new Wayne County Jail in 2022/23, the parties would benefit from the experience of staffing the new jail and novel issues that may arise before engaging further bargaining.

The Employer on the other hand notes approximately one-half of the comparables have 3-year contracts, while half do not. The Employer counters that the anticipated opening of the new Wayne County Jail impacts (and likely resolves) many of the issues that were raised during the subject hearings, especially with regard to staffing and overtime.

Inasmuch as this issue is not significantly impacted by ability to pay, the Panel finds the Union's arguments to be more persuasive. Given the long-standing staffing and overtime stresses, the Panel is of the opinion that the parties would be required to expend valuable time and resources in short order after this Award issues, only adding to the existing stresses of extraordinary work demands, which demands appear to have no prospect of lessening before the opening of the new jails. More importantly, although the parties agree that the new jail may impact some of the stressors experienced, the Panel is persuaded that actual experience with the new jail will better enable the parties to assess such impact. If in fact the new jail resolves those stressors, as posited by the Employer, the parties and their further negotiations will have benefited from that experience. If the new jail does not resolve the stressors, that experience will provide beneficial knowledge as well.

Overall, it is the Panel's determination that adoption of the Union's LBO regarding Duration will provide the parties with a more accurate understanding of any changes, anticipated or unanticipated, and will allow the parties to craft a successor CBA which accommodates the statutory criteria of Act 312.

# Award.

The Panel adopts the Union's LBO which provides that Article 46 of the CBA should allow for a 3-year CBA and read "This collective bargaining agreement shall remain in full force and effect through September 30, 2023 when it shall expire on its terms without notice to either party."

November <u>15</u>, 2021

Charles Ammeson; Chairperson

November <u>15</u> , 2021	Joseph P. Martinico/lw
	Joseph Martinico, Employer Delegate
	() Concurring as to determination only
	(X) Dissenting
November <u>5</u> , 2021	
	David LaMontaine Union Delegate
	Concurring as to determination only
	Dissenting

# b. WAGES YEAR 1 - OCTOBER 1, 2020 (ECONOMIC) Last Best Offers.

The Union's LBO provides that Article 38 of the CBA should allow for a 4.0% increase for all steps contained in the Collective Bargaining Agreement, with all other aspects of Article 38 remaining unchanged, except as necessary for consistency and conformity with the 4.0% increase.

The Employer's LBO provides that Article 38 of the CBA should allow for a 2.5% increase and other changes so that Article 38 would read as set forth in Appendix A-2.

# Discussion.

As set forth above, the evidence is clear and convincing that the Employer has a very severe recruiting and retention problem, losing correction officers on a regular basis and being unable to recruit replacements in the competitive labor market. Unlike private and even other governmental operations that can be curtailed and shutdown, it is nigh impossible and certainly ill-advised not to maintain viable jails. Although retention of current employees is of essential importance, equally or perhaps more important is recruiting of new employees. Evidence of the importance of recruiting was demonstrated by the Employer's enhanced recruiting and outreach programs in its LBO. Recent experience, including the Employer's, demonstrates that Employers generally are

considering and engaging recruiting programs which include recruiting/retention bonuses and improved entry wages, given the circumstances of today's labor market.

The Panel observes that the Employer's LBO does include newly crafted retention bonuses as well as an enhanced entry wage. As such, the Panel is persuaded that adoption of the Employer's LBO better addresses the severe recruiting and retention problems confronting the Employer. It is the Panel's determination that the parties primary focus must center upon retaining and recruiting and increasing the staffing count for the Employer, with the goal of reducing extraordinary overtime expenses and reducing the exhaustive overtime demands being forced upon many unit members.

Clearly the Employer has considered ability to pay in submitting its LBO. Thus, ability to pay should not be an issue. Even though the Employer's LBO, in the Panel's opinion, does not bring wages up to external comparable levels, it is a step in the right direction, particularly and more so for recruiting purposes. Achieving comparability in a single year is generally not an available option. Neither LBO would achieve that level of compensation.

# Award.

The Panel adopts the Employer's LBO which provides that Article 38 of the CBA should allow for a 2.5% increase and other changes so that Article 38 would read as set forth in Appendix A-2, except as necessary for consistency and conformity with the awards for wage increases adopted by the Panel for years 2 and 3 below.

It is the Panel's award that such wage increase shall be retroactive to 10/1/20.

November 15, 2021

Charles Ammeson, Chairperson

Joseph P. Martinico/lw

November 15, 2021

Joseph Martinico, Employer Delegate

(X) Concurring as to determination only

Dissenting

November 1, 2021

David LaMontaine Union Delegate

( ) Concurring as to determination only

Dissenting (

# c. WAGES YEAR 2 (ECONOMIC)

# Last Best Offers.

The Union's LBO provides that Article 38 of the CBA should allow for a 5.0% increase for all steps contained in the Collective Bargaining Agreement.

The Employer's LBO provides that Article 38 of the CBA should allow for a 2.5% increase.

# Discussion.

The Panel's focus on retention and recruiting, as outlined above regarding Year 1 Wages, above is equally applicable to Year 2 and Year 3 Wages. The Union's LBO provides that Article 38 of the CBA should allow for a 5.0% increase for all steps. Although the Employer LBO at 2.5% would also retain the retention bonus, while the Union LBO does not, recruiting is not the lone solution to the Employer's staffing/overtime problems.

The Panel observes and determines that the Employer's LBO does not raise wages to comparable levels in order to meet existing or expected labor market demands. In that regard the Panel notes that the Employer suggests that the extraordinary pension requirements, caused in great part by the mismanagement of prior administrations, raises unit members overall compensation to comparable levels. The Panel perceives such argument as unsound. Although the burden may exist for the Employer, the economic compensation benefit does not exist for the unit members. The 46% Pension Contribution Rate exemplified by the Employer in its Exhibit 219 does not inure to the sole benefit of the unit members. It inures to the benefit of the Pension Plan, and as acknowledged by the Employer meets past funding deficiencies. As acknowledged by the Employer in its brief, the Wayne County Employees Retirement System is presently 65% funded, up

from 45% funded in 2014. Prior union concessions have enhanced the Employer's ability to pay and continue to do so.

Observing the Gabriel, Roeder and Smith Valuation Report (Ex. 254) it is clear that the normal cost for current employee pension is nowhere near 46%. As such, the Panel rejects the comparability analysis set forth in the last five columns of the Employer's Exhibit 219, in favor of the analysis set forth in the 10<sup>th</sup> column of Exhibit 219, which 10<sup>th</sup> column demonstrates that unit member wages and compensation do not rise to the level of external comparables.

Observing Exhibit 254 and Exhibit 219, it is noted that unit member normal pension costs are generally comparable to the comparable communities. As such, it is this Panel's determination that unit members total compensation, including pension benefits, does not rise to the level of external comparables.

Turning to internal comparables, the Employer advocates that significant wage increases to the POAM unit members are not and will not be justified by this factor and will only put the Employer in a very difficult negotiation position with its other non-unit employees. In this regard the Panel notes that particular job requirements and labor market conditions are the primary determiner of wages and that these factors are unique for POAM members and distinct from other County employees. POAM members are unable to justify a demand for salary equal to the County Executive because they work for the same employer. A County Laborer is unable to justify a demand equal to a Sheriff Deputy because he/she works for the same employer.

It is the Panel's determination that the parties focus must center upon providing comparable and competitive market wages in order to retain and recruit so the staffing count for the Employer may be increased, with the goal of reducing extraordinary overtime expenses and reducing the exhaustive overtime demands being forced upon many unit members. Focusing on recruiting and retention will enhance the Employer's ability to pay.

Although the Employer suggests that it is unable to pay the Union's LBO, it is this Panel's determination that its ability to pay is a matter of prioritizing. Simply put, it is this Panel's determination, quite similar to the implicit recommendation of the Recovery Plan (when it recommended an across the board 5% pay cut for County employees, other than Sheriff Deputies, Command Staff, Nurses and Prosecutors), that the Employer simply cannot afford to continue the extraordinary overtime expense and associated work demands and must address those matters by raising Sheriff Deputy wages to external comparable levels.

Accordingly, the Panel is persuaded that adoption of the Union's LBO better addresses the severe recruiting/retention problems confronting the Employer, which is most likely to enhance the Employer's ability to pay. It is also noted that the Union LBO at 5% is not double the Employer LBO at 2.5%, the Union LBO not including a retention bonus.

#### Award.

The Panel adopts the Union's LBO which provides that Article 38 of the CBA should allow for a 5.0% increase for all steps contained in the Collective Bargaining Agreement, with all other aspects of Article 38 remaining unchanged as set forth in the adopted Panel award for Year 1 above, except as necessary for consistency and conformity with the 5.0% increase for Year 2, it being necessary not to include or continue for Year 2 the Retention Stipend in Article 38.3B and to appropriately adjust the 10/1/21 column in Article 38.3D.

It is the Panel's award that such wage increase shall be retroactive to 10/1/21.

November <u>15</u>, 2021

Charles Ammeson, Chairperson

November , 2021

Joseph Martinico, Employer Delegate

( ) Concurring as to determination only

Joseph P. Martinico/lw

(X) Dissenting

David La Montaine Union Delegate

Concurring as to determination only

) Dissenting

#### d. WAGES YEAR 3 (ECONOMIC)

# Last Best Offers.

The Union's LBO provides that Article 38 of the CBA should allow for a 5.0% increase for all steps contained in the Collective Bargaining Agreement.

The Employer's LBO provides that Article 38 of the CBA should allow for a 2.5% increase.

# Discussion.

The Panel adopts and incorporates by reference, as if fully set forth herein, its discussion and reasoning as set forth under Year 2 Wages immediately above, determining that the same considerations apply and control.

The Panel is persuaded that adoption of the Union's LBO better addresses the severe recruiting and retention problems confronting the Employer.

## Award.

The Panel adopts the Union's LBO which provides that Article 38 of the CBA should allow for a 5.0% increase for all steps contained in the Collective Bargaining Agreement, with all other aspects of Article 38 remaining unchanged as set forth in the adopted Panel award for Years 1 and 2 above, except as necessary for consistency and conformity with the 5.0% increase for Year 3, it being necessary not to include or continue for Year 2 or 3 the Retention Stipend in Article 38.3B and C and to appropriately adjust the 10/1/22 column in Article 38.3D.

November	<u> </u>
	Charles Ammeson, Chairperson
November <u>15</u> , 2021	Joseph P. Martinico/lw
	Joseph Martinico, Employer Delegate
	() Concurring as to determination only
7.	(X) Dissenting
November, 2021	
	David LaMontaine Union Delegate
	Concurring as to determination only
	( ) Dissenting

# e. INSURANCE (ECONOMIC).

# Last Best Offers.

Summarized, the Union's LBO provides that Article 31 of the CBA should allow for its members is to contribute twenty percent (20%) toward the cost of medical insurance and, prescription drug coverage insurance plan options so that Article 31 of the CBA would read as set forth in Appendix A-1.

Summarized, the Employer's LBO provides that Article 31 of the CBA should maintain the status quo as to healthcare for active bargaining unit members. The Employer proposes the present 25% employee contribution along with adding an additional health care plan option so that Article 31 of the CBA would read as set forth in Appendix A-2.

# Discussion.

The Employer's suggests its LBO to maintain the status quo for active bargaining unit members regarding Insurance best preserves the concept of equity regarding internal comparables and preserves/continues the gains of the 2015 reforms.

In contrast, the Union seeks a deviation from both the status quo and the Employer's internal pattern of bargaining. The Union proposes that the employee premium share contribution be decreased from 25% to 20%.

The Panel observes and is persuaded that the evidence at the hearing establishes that the Employer's LBO on this issue more closely complies with the factors contained in Section. 9 of Act 312 particularly sections 9(1)(a) and 9(1)(e) than does the Union LBO. Adopting the Union LBO most likely would encourage pattern internal demands. Differing benefits for different work are not as defensible as different pay for different work. The Employer's LBO best enhances the Employer's ability to pay the Union LBOs for Year 2 and 3 wages and continue the Recovery Plan.

Beyond this, and again focusing on the Employer's staffing/overtime problems, the Panel is not persuaded that insurance benefits will be the main attractor in recruiting new employees as Sheriff Deputies. Although recognizing that insurance is an important factor to all employees, the Panel is similarly persuaded that insurance is not a main factor for present members assessing whether to maintain employment, wages, staffing and forced overtime demands being much more significant. Better wages elsewhere and the Employer's failure to address overtime demands are more likely to cause a current employee to leave.

As such, this Panel is persuaded that adopting the Union's LBO runs a significant risk of derailing the Recovery Plan and causing undue internal comparability stresses. Accordingly, the Panel is persuaded that adoption of the Employer's LBO best accommodates the statutory factors, including but not limited to the ability to pay, particularly given the Panel's adoption of the Union's LBOs pertaining to Year 2 and 3 wages.

# Award.

The Panel adopts the Employer's LBO which provides that Article 31 of the CBA should maintain the status quo as to healthcare for active bargaining unit members and the present 25% employee contribution along with adding an additional health care plan option so that Article 31 of the CBA would read as set forth in Appendix A-2.

November	Dull
	Charles Ammeson, Chairperson
November <u>15</u> , 2021	Joseph P. Martinico/lw
	Joseph Martinico, Employer Delegate
	(X) Concurring as to determination only
November	( ) Dissenting
	David LaMontaine Union Delegate
	Concurring as to determination only Dissenting

# f. RETIREMENT CONTRIBUTIONS (ECONOMIC).

# Last Best Offers.

Summarized, the Union's LBO provides that member contributions for members in the in Defined Benefit Plans 1,3,5 and 6 shall, effective the date of the award, be reduced to five (5%) of gross wages annually. Employer contributions shall apply to fund benefits accrued after the date of October 1, 2015, as set forth in Appendix A-1.

Summarized, the Employer's LBO provides that member contributions should be reduced to those paid by d its other employees participating in its defined benefit plans—six percent (6%) on the first \$52,155 of gross wages annually and seven percent (7%) of annual gross wages exceeding \$52,155.00, so that Article 37 of the CBA would read as set forth in Appendix A-2.

# Discussion.

Presently, bargaining unit members in the defined benefit plans contribute seven percent (7%) on the first \$52,155.00 of gross wages annually, and eight percent (8%) of annual gross wages exceeding \$52,155.00 The Union proposes to reduce members' contributions to five (5%) annually. The Employer LBO reduces bargaining unit

members contributions to those paid by all its other employees participating in its defined benefit plans—six percent (6%) on the first \$52,155 of gross wages annually and seven percent (7%) of annual gross wages exceeding \$52,155.00.

The Union's LBO provides that employees in the Defined Benefit Plans 1,3,5 and 6, shall effective (Date of Award), contribute five (5%) of gross wages annually. Employer contributions shall apply to fund benefits accrued after the date of October 1, 2015.

The Union submits that POAM members work far more overtime than the majority of other County employees, and thus bear a heavier burden by being required to pay large sums of money on overtime wages for no additional benefit. Other County employees, who work little or no overtime would not be required to make any pension contributions on their overtime earnings but would get similar pension benefits for less reduction in wages. As such, POAM employees are unfairly being required to make pension contributions on overtime wages for and additional benefit they will never receive.

The Employer posits that, just as addressing staffing and overtime issues, it is imperative that the Employer equally focus on fully funding its retirement plan consistent with the implementation of the Recovery Plan and must not reduce efforts in that regard.

For similar reasons as set forth in the discussion regarding Insurance above, the Panel is not persuaded that retirement contributions will be the main attractor in recruiting new employees as Sheriff Deputies. Although recognizing that retirement is an important consideration to all employees and acknowledging the inherent unfairness in deducting insurance from overtime pay which does not increase pension benefits, this Panel is persuaded that adopting the Union's LBA runs a significant risk of derailing the Recovery Plan, negatively impacting ability to pay and causing undue internal comparability stresses. The Panel observes that it is more important to eliminate the associated costs and stress of the staffing/overtime situation (which will also address the inherent unfairness of deducting insurance contributions from overtime pay).

As indicated, and for similar reasons as set forth in the discussion regarding Insurance above, the Panel is persuaded that adopting the Union LBO most likely would

encourage pattern internal demands. Differing benefits for different work are not as defensible as different pay for different work. The Employer's LBO on this issue also best enhances the Employer's ability to pay the Union LBOs for Year 2 and 3 wages.

As such, the Panel is persuaded that adoption of the Employer's LBO best accommodates the statutory factors, including but not limited to the ability to pay, particularly given the Panel's adoption of the Union's LBOs pertaining to Year 2 and 3 wages, the Panel noting that the overtime retirement contribution has been a factor in its determination to adopt the Union's LBOs regarding Year 2 and 3 Wages.

Importantly, the Panel is persuaded that the past and anticipated success of the Recovery Plan is an equally imperative focus, and certainly a compelling focus until such time as its plan is more appropriately and comparatively funded.

# Award.

The Panel adopts the Employer's LBO which provides that member contributions should be reduced to those paid by its other employees participating in its defined benefit plans—six percent (6%) on the first \$52,155 of gross wages annually and seven percent (7%) of annual gross wages exceeding \$52,155.00, so that Article 37 of the CBA would read as set forth in Appendix A-2.

( ) Dissenting

November \_\_\_\_\_\_, 2021

# David LaMontaine Union Delegate

Concurring as to determination only
Dissenting

# g. CALLOUT FOR OVERTIME (ECONOMIC)

# Last Best Offers.

Summarized, the Union's LBO is to maintain the status quo and not change the language to Article 17 of the CBA.

Summarized, the Employer's LBO provides a method to capture some of the POAM members who work in the court to assist the POAM members who currently work in the jails, so that Article 17 of the CBA would read as set forth in Appendix A-2.

# Discussion.

As has been referenced many times in this Opinion and Award, understaffing is a severe issue confronting the Employer. The burden falls primarily on the unit members in the jails. The burden is not equally shared by unit members who work outside the jails in what is termed as "fresh air" jobs, particularly unit members assigned to the Court, who cannot be forced to work jail overtime pursuant to the provisions of the CBA.

Given the provisions of the CBA, the emergency forcing of overtime appears to be concentrated toward weekends.

Apparently in order to more equally spread the overtime burden among all unit members, the Employer's LBO essentially proposes to memorialize a plan of action to be put into place in the event the Employer is unable to obtain the appropriate number of staff from the jails to staff the jails, by requiring some of the many "fresh air" unit members on their "off days" to share the overtime burden with the unit members who currently work in the jail.

It is the Union's position that its members, as a whole, prefer the present arrangement and status quo, even though the overtime burden on its particular members in the jails is extraordinary. It is the Union's belief that forcing "fresh air" unit members

to work the jails will initiate a great exodus from employment and simply worsen the overall situation.

This Panel, having observed the testimony of the witnesses, as well as the seniority and bidding procedures of the CBA, is persuaded that the Union's concerns are warranted. Turnover in law enforcement is a current and real concern. Moreover, although the Employer LBO may more equitably spread the overtime burden, the Panel is not persuaded that it will necessarily reduce overtime hours or expense. On the other hand, if the Union's prediction came to fruition, the extraordinary overtime demand may likely be increased, which may negatively exacerbate the Employer's ability to pay.

As such, the Panel is persuaded that adopting the Union's LBO and maintaining the status quo is the less risky and more desirable approach Award.

The Panel adopts the Union's LBO which maintains the status quo and does not change the language to Article 17 of the CBA.

November	Charles Ammeson, Chairperson
November <u>15</u> , 2021	Joseph P. Martinico/lw  Joseph Martinico, Employer Delegate
	Concurring as to determination only
November 5, 2021	David LaMontaine Union Delegate  Concurring as to determination only

# h. DOUBLE-TIME. (ECONOMIC)

# Last Best Offers.

Summarized, the Union's LBO is to modify Article 17.7 of the CBA so that members receive Double-Time the employee's regular rate of pay for work performed on the second (2nd) leave day of the employee's work week. Further, bargaining unit members who are forced to work more than 56 hours in one week shall be compensated at 200% of the regular hourly rate, so that Article 17.7 would read as set forth in Appendix A-1.

Summarized, the Employer's LBO is to maintain the status quo with no changes to Article 17.7 of the CBA.

# Discussion.

The Union posits, regardless of whether double-time will have no impact on the overtime situation, double-time does recognize and reward the extreme burden unit members endure working at the jails. The Employer, on the other hand asserts that the only effect double-time will have will be to increase costs to the Employer and reduce its ability to pay, noting that double-time is not warranted by comparison to external comparables.

The Panel observes and agrees that the Union LBO, if awarded, will increase costs without addressing the extraordinary overtime demand issue. Observing the testimony during the hearing, the Panel is persuaded that unit members, as a whole, would rather work less forced overtime than receive double-time.

As such, it is this Panel's determination that the extraordinary overtime demands are a significant factor undermining retention and recruiting of employees. Accordingly, this Panel is persuaded that the focal remedy for the overtime/staffing issue is increasing straight time pay and other attractors in the labor market, as opposed to making overtime more economically rewarding. Again, this issue is determined in great based upon ability to pay.

As such, it is the Panel's determination that the Union's LBO is contrary to the best interest and welfare of the pubic, while the Employer's LB is in line with

comparables. Accordingly, the Panel determines that the Union LBO, although appealing to a sense of equity, fails to pass muster under Section 9(1)(a) of Act 312.

# Award.

The Panel adopts the Employer's LBO which maintains the status quo and does not change the language to Article 17.7 of the CBA.

November \_/5\_, 2021

Charles Ammeson, Chairperson

November 15 , 2021

Joseph P. Martinico/lw

Joseph Martinico, Employer Delegate

(X) Concurring as to determination only

( ) Dissenting

November \_\_\_\_\_\_\_, 2021

David LaMontaine Union Delegate

(\_\_\_) Concurring as to determination only

Dissenting

# i. START OF WORK SEE (ECONOMIC)

# Last Best Offers.

Summarized, the Union's LBO is to maintain the status quo with no changes to Article 16.1 of the CBA.

Summarized, the Employer's LBO is to allow the Employer, with 15 daysnotice, to change the start and end day of the work week so that Article 16.1 of the CBA would read as set forth in Appendix A-2.

# Discussion.

Again, understaffing is a severe issue confronting the Employer. The burden falls primarily on the unit members in the jails. The problem is complicated by the present CBA provisions which do not allow the forcing of overtime, except in declared emergencies, the declaration and administration of which is burdensome to management. Given the provisions of the CBA, and the evidence that unit members mostly volunteer for overtime during the work week, the emergency forcing of overtime appears to be concentrated toward weekends.

The Employer's LBO attempts to address this burden by changing the start of the work week. Hypothetically, if the workweek commenced on Saturday, the Employer could force overtime on weekends without calling an emergency.

From the Panel's perspective, the Employer LBO may, in fact, make the administration of overtime assignments more convenient for the Employer. It may even more equitably spread weekend overtime amongst the jail employees. On the other hand, it will clearly increase the "forced" weekend overtime burden on certain employees, which is implicit in the Union's objection to the Employer's LBO. Such could exacerbate retention issues, which would negatively impact the Employer's ability to pay. It is unlikely that the Union LBO will negatively impact ability to pay.

Given the extraordinary burden of overtime on the POAM unit as a whole, this Panel determines that the Employer LBO is not likely to provide an economic benefit or address the overall overtime expense. Instead, it will make overtime more objectionable to unit members and will not serve the welfare and interests of the public. The Union's LBO is preferred by the Union, whom is in the best position to assess the negative impact of the Employer LBO.

# Award.

The Panel adopts the Union's LBO which maintains the status quo and does not change the language to Article 16.1 of the CBA.

November	_ Olle
	Charles Ammeson, Chairperson
November X, 2021	Joseph P. Martinico/lw
	Joseph Martinico, Employer Delegate
	() Concurring as to determination only
	(_x_) Dissenting
November , 2021	
	David LaMontaine Union Delegate
	Concurring as to determination only
	Dissenting

# j. SHIFT PREFERENCE (ECONOMIC)

# Last Best Offers.

Summarized, the Union's LBO is to modify Article 14.2 of the CBA to prevent the Employer from denying a transfer to an Officer due to minor discipline, so that Article 14.2 of the CBA would read as set forth in Appendix A-1.

Summarized, the Employer's LBO is to maintain the status quo with no changes to Article 14.2 of the CBA.

# Discussion

The Union's LBO seeks to address a concern that the Employer uses or will use minor disciplinary matters to deny eligibility for transfer otherwise allowed by seniority. Accordingly, its LBO seeks (a) to delete consideration of a deputy's disciplinary record

from 14.2.F of the CBA when that deputy seeks a transfer by removing the language "and disciplinary record with seniority controlling when the other factors are relatively equal," as well as to delete the current second paragraph of 14.6.E of the CBA. The concern is perhaps exacerbated by the overtime issue, unit members at times being required by personal circumstances to refuse forced overtime, even though they work extraordinary overtime.

The Employer counters that consideration of discipline is a long-standing Employer right which safeguards jail operations by ensuring that members with discipline issues are not elevated to more responsible positions.

The Union counters that such right can be used by the Employer to engage favoritism in selection.

The Panel well notes that the Employer's Executive Chief acknowledged under oath that he is unable to discipline his way out of the overtime/staffing problems confronting the Employer, the essential result in suspending or terminating unit members who refuse forced overtime only lessening the pool of employees and exacerbating the overtime/staffing problem.

The Panel observes that the current language seems to have been tolerated by the parties for an extended period. The Panel also observes, if in fact the Employer were to utilize the provision to engage favoritism rather than legitimate concerns, the Grievance mechanism of the CBA provides an appropriate method for review, although perhaps not the most efficient method.

Viewing the Union LBO as a whole, the Panel is of the opinion and determines that the Union LBO, as crafted, is broader than need be to address the overtime/staffing concern. Although it appears that the LBO is well intentioned, the Panel determines that the LBO is a solution to a problem which the record does not demonstrate is historically substantial.

# Award.

The Panel adopts the Employer's LBO which maintains the status quo and does not change the language to Article 14 of the CBA.

November <u>/</u> 5, 2021	Malle
	Charles Ammeson, Chairperson
November <u>15</u> , 2021	Joseph P. Martinico/lw
	Joseph Martinico, Employer Delegate
	(X) Concurring as to determination only
	() Dissenting
November , 2021	
	David LaMontaine Union Delegate
	() Concurring as to determination only
	( Dissenting

# k. POLICE ACADEMY (ECONOMIC)

# Last Best Offers.

Summarized, the Union's LBO is to modify Article 35 of the CBA to change the current language to increase the number of members attending academy and providing for selection of the first through fifth candidates and sixth through tenth candidates by seniority, leaving the remainder to be selected at the Sheriff's discretion so that Article 35.1 of the CBA would read as set forth in Appendix A-1.

Summarized, the Employer's LBO is to modify Article 35 of the CBA to change the current language to increase the number of members attending academy and providing for selection of thirteen candidates by seniority and the remainder selected at the Sheriff's discretion so that Article 35.1 of the CBA would read as set forth in Appendix A-2.

# Discussion.

Under the current language, if twelve candidates went to the police academy this year, five would go based on seniority and the Sheriff would choose the remaining seven.

Under the Union LBO the number of available spots for Police Academy would be increased, and the first through fifth candidates and sixth through tenth candidates assigned by seniority and the remainder selected at the Sheriff's discretion. The Employer's LBO similarly increases the number of available spots for Police Academy and allows 13 of 18 slots to be selected by seniority.

The Panel observes that both LBOs move in the same direction, providing more Police Academy spots and filling more spots by seniority. The Panel observes and determines that the Employer adequately addresses the concerns of the Union regarding this issue.

The differences between the LBOs do not impact ability to pay.

Award.

The Panel adopts the Employer's LBO which modifies Article 35 of the CBA to change the current language to increase the number of members attending academy and providing for selection of thirteen candidates by seniority and the remainder selected at the Sheriff's discretion so that Article 35.1 of the CBA would read as set forth in Appendix A-2.

November	Charles Ammeson, Chairperson
November <u>15</u> , 2021	Joseph P. Martinico/lw  Joseph Martinico, Employer Delegate
	(X) Concurring as to determination only ( ) Dissenting
November , 2021	
	David LaMontaine Union Delegate
	Concurring as to determination only
	( Discenting

#### I. RECOGNITION (ECONOMIC)

#### Last Best Offer.

Summarized, the Union's LBO is to modify Article 1 of the CBA to remove provisions that permit the Employer to engage temporary officers, civilians and/or private non-governmental entities to perform certain work further outlined in Article 1 of the CBA so that Article 1 of the CBA would read as set forth in Appendix A-1.

Summarized, the Employer's LBO is to maintain the status quo with no changes to Article 1 of the CBA.

#### Discussion

The language in question was apparently implemented in 2015. Such inclusion is consistent with the crisis confronting the Employer at the time, particularly staffing issues. Since 2015 those issues have not abated, and the two hundred budgeted unit member vacancies still exist.

The Panel recognizes that work-sharing, as this provision allows, is an existential threat to the Union. The Panel also recognizes that unit members would prefer the "fresh air" work that this provision allows to others. On the other hand, both the Employer and the unit members share the burden of understaffing, and this provision appears to address same, perhaps not in as equitable a manner as unit members would desire.

The Union and unit members are to be commended for the concessionary support they provided the Employer in prior negotiations on many issues, particularly this issue.

Overall, the Panel observes and determines that the existential threat of this provision to the Union is not imminent. The unit has two hundred budgeted but unfilled vacancies. Those vacancies, particularly given the County investment in a new jail, need to be filled by new unit members The fact remains that unit members have more than enough work -- more than is desired by many. Although the Panel is sensitive to the suggested unfairness of the provision that presumably was accepted in a concessionary manner, the Panel determines that it is too soon to jettison that provision. As such, the Panel determines that it is the best interest of all to maintain the status quo.

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The Panel adopts the Employer's Li	bo which maintains the status quo and does
not change the language to Article 1 of the C	CBA.
November, 2021	Charles Ammeson, Chairperson
November X_, 2021	Joseph P. Martinico/lw
	Joseph Martinico, Employer Delegate
	(X) Concurring as to determination only
	() Dissenting
November , 2021	David LaMontaine Upion Delegate  Concurring as to determination only Dissenting

## m. GUN CARRIERS (NON-ECONOMIC)

## Proposals.

Summarized, the Employer's proposal is to add a new Article 14.8 to the CBA which would allow the Employer to arm appropriately trained MSCTC certified deputies to assist with hospital transport and watch, jail lobby and visitation security, jail perimeter security, and prisoner transportation assignments as set forth in Appendix A-2.

The Union's proposal is to maintain the status quo with no changes to Article 14 of the CBA.

#### Discussion.

The Employer's proposal seeks to "temporarily and situationally" arm appropriately trained MSCTC certified deputies to assist with hospital transport and watch, jail lobby and visitation security, jail perimeter security, and prisoner transportation assignments. The Employer primarily asserts that allowing MSCTC deputies to perform such assignments has worked well for Oakland County.

The Union asserts that there has not been a problem with having enough of the currently MCOLES certified bargaining unit members to fill any assignments which have been required, inasmuch as they are generally more desirable "fresh air" assignments and a majority of unit members in the jail are MCOLES certified in fact.

This Panel observes and determines that, with the increase in Police Academy spots being made available by adoption of the Employer's LBO regarding Police Academy; and the lack of persuasive evidence that MCOLES certified unit members are not filling the outside assignments, maintaining the status quo and increasing the number of unit members with MCOLES certification is the more measured approach. Requiring the MCOLES certification has the additional benefit of encouraging unit members to engage additional training.

The differences between the LBOs do not impact ability to pay.

Award.

The Panel adopts the Union's proposal which maintains the status quo and does not change the language to Article 14 of the CBA.

November /5, 2021

Charles Ammeson, Chairperson

November <u>15</u> , 2021	Joseph P. Martinico/lu
	Joseph Martinico, Employer Delegate
	Concurring as to determination only
	(X) Dissenting
November, 2021	David LaMontaine Union Delegate  Concurring as to determination only
	() Dissenting

## 6. SUMMARY OF AWARD

LBO/ PROPOSAL ADOPTED	AWARD
Union	The Panel adopts the Union's LBO. Article 46 of the CBA shall be amended to read as follows:
	ARTICLE 46 <u>DURATION OF AGREEMNT</u>
	The new collective bargaining agreement shall remain in full force and effect through September 30, 2023 when it shall expire on its terms without notice by either party.
Employer	The Panel adopts the Employer's LBO. Article 38 of the CBA shall be amended to read as follows:
	ARTICLE38-ECONOMICIMPROVEMENTS 38.1:
	Special Skills Positions.  A. The following special skill positions shall receive
	PROPOSAL ADOPTED Union

seven hundred dollars (\$700.00) greater than their base rate while working in these capacities:

- 1. Computer Programmer positions with one (1) year experience.
- 2. Helicopter Pilot with commercial license.
- 3. Dive Team Members with diver's certificate.
- 4. Bomb Technician.
- B. Identification Technicians shall receive one thousand dollars (\$1,000.00) greater than their base rate while working in this capacity. Effective beginning October 1, 2001, the amount of special skills pay provided to employees working in the assignment of Identification Technician will be one thousand five hundred dollars (\$1,500.00) per year.
- C. Effective beginning October 1, 2001, employees in the classification of Corporal will receive an additional one thousand dollars (\$1,000.00) per year upon completion of five (5) years of service in grade. Effective beginning the date this Agreement is executed by the County Executive, employees in the classification of Corporal will receive the additional one thousand dollars (\$1,000.00) per year upon completion of eighteen (18) years of credited service.
- 38.2: Wage Rate Changes for Employees Represented by the POAM.
- A. Effective October 1, 2020, employees will receive a 2.5% wage increase.
- B. Effective October 1, 2021, employees will receive a 2.5% wage increase.
- C. Effective October 1, 2022, employees will receive a 2.5% wage increase.
- D. The following wage rates incorporate the wage increases in 38.2(A), (B) and (C) and shall apply to full-time employees of record who are employed with the County of Wayne in the classifications of Police Officer and Corporal effective October 1, 2020.

Current 10/1/2020 <del>10/1/2021 10/1/2022</del> \$32,118

	\$35,687			-
Police	Officer			
Entry (	2 years)			
	\$37,967	\$38,916	<del>\$40,000</del>	<del>\$41,000</del>
Step 2	\$41,155	\$42,183	<del>\$43,238                                     </del>	<del>\$44,319</del>
Step3	\$45,559	\$46,698	<del>\$47,865</del>	<del>\$49,062</del>
Step 4	\$50,115	\$51,367	\$53,651	<del>\$53,967</del>
Step 5	\$55,430	\$56,816	\$58,236	<del>\$59,692</del>
Step 6	\$59,226	\$60,707	\$62,225	<del>\$63,780</del>
Corp	\$61,204	\$62,734	<del>-\$64,303</del>	<del>\$65,910</del>
oral	-	•	•	

Officers at the Entry Level of the salary scale must remain at that level for two full years of service before moving to the next step on the scale.

- D. Except as provided above with regard to Entry Level Officers, an annual single step increase will be provided to all employees below Step #8 Step 6 on their anniversary date each year of the contract. Under no circumstance can an annual step increase exceed one step.
- E. Step increases will continue beyond the expiration of the collective bargaining agreement (September 30, 2023) for those employees who are below the maximum wage step for their classification.
- F. Effective October 1, 2020, employees shall receive annual bonuses in accordance with the following:
- 1. All bargaining unit members shall receive a \$650 annual bonus regardless of participation in a healthcare contract.
- 2. For those with healthcare contracts:
- a. \$650 for those with single-person healthcare contracts;
- b. \$1,000 for those with two-person healthcare contracts;
- c. \$1,3000 for those with family contracts
- 3. Employees receiving bonuses under Section 38.2 (F)(2) above shall have the option of receiving this bonus payable every other pay period as taxable income.
- 38.3 Retention Stipend
- A. Not later than the third payroll period following the

effective date of the 2020 collective bargaining agreement, each bargaining unit member who is in active service and has completed at least one full year of service with the County as of April 1, 2021, shall, on a one-time basis, receive a one thousand five-hundred-dollar (\$1500.00) retention stipend. Such stipend shall not be included in final average compensation for pension calculation purposes and shall not be subject to pension/retirement plan contributions. Employees may elect in writing to have their retention stipend paid as taxable income or deposited into their existing individual Health Savings Account.

B. Not later than the third payroll-period following October 1, 2021, each bargaining unit-member who is in active service and has completed at least one full year of service with the County as of April 1, 2021, shall, on a one time basis, receive a one thousand five hundred dollar (\$1500.00) retention stipend. Such stipend shall not be included in final average compensation for pension calculation purposes and shall not be subject to pension/retirement plan contributions. Employees may elect in writing to have their retention stipend paid as taxable income or deposited into their existing individual Health Savings Account.

C. Not later than the third payroll period following October 1, 2022, each bargaining unit member who is in active service and has completed at least one full year of service with the County as of April 1, 2022, shall, on a one-time basis, receive a one thousand five hundred dollar (\$1500.00) retention stipend. Such stipend shall not be included in final average compensation for pension calculation purposes and shall not be subject to pension/retirement plan

contributions. Employees may elect in writing to have their retention stipend paid as taxable income or deposited into their existing individual Health Savings Account.

38.4 : Work In A Higher Classification,

Any employee required to work in a higher classification shall be paid at the higher rate of pay.

The panel notes that wages for Year 1 shall be made retroaction to October 1, 2020

	,	
Wages Year 2	Union	The Panel adopts the Union's LBO. Article 38 .2 B. of the CBA shall be amended to read as follows:
		38.2: Wage Rate Changes for Employees Represented by the POAM.
		B. Effective October 1, 2021, employees will receive a 5.0% wage increase.
		The panel notes that wages for Year I shall be made retroaction to October 1, 2021
Wages Year 3	Union	The Panel adopts the Union's LBO. Article 38 .2 C. of the CBA shall be amended to read as follows:
		38.2: Wage Rate Changes for Employees Represented by the POAM.
		C. Effective October 1, 2022, employees will receive a 5.0% wage increase.
Insurance	Employer	ARTICLE 31 - INSURANCE PROGRAMS
		31.1 Except where it is in conflict with the express terms of this Collective Bargaining Agreement, the Wayne County Health and Welfare Benefit Plan, as modified, is hereby incorporated by reference.
		31.2 Medical Insurance
		A. During each open enrollment period, qualified employees will be eligible to select a health care plan including prescription drug coverage as offered by the County.
		Effective October 1, 2020 or an alternative date determined by the Employer, the County shall offer at least the following health care plan options:
		1) a Health Savings Account (HSA) qualified High Deductible Health Plan ("HDHP") through a Preferred Provider Organization (PPO);
		2) an HSA qualified High Deductible Health Plan through a Health Maintenance Organization (HMO);
		3) an HSA qualified High Deductible HMO Managed

Care Plan; and

4) a Non-High Deductible/non-HSA qualified HMO Managed Care Plan.

Deductibles and plan design in effect shall remain as the status quo except that the deductible in the HDHP Plans shall be that minimum deductible necessary, pursuant to IRS rules, to permit tax free contributions to a Health Care Savings Account (HSA) for qualified expenses. See, Benefit descriptions (Appendix \_\_\_\_).

- B. Prescription drug coverage will also be provided for qualified employees enrolled in an available medical plan, subject to graduated co-payments based on the class of drug prescribed as described in Appendix \_\_\_\_.
- C. Employees will be required to contribute twenty-five percent (25%) toward the cost of the premiums of medical insurance and prescription drug coverage. The contribution rate will be posted on an annual basis. Contributions shall be deducted out of the first two (2) payments of each month. Employees with bi-weekly gross wages of one-thousand and two-hundred dollars (\$1,200) or less in the pay period will contribute seventy-five (75%) of the applicable pre-tax contribution rate.

Employees on any type of leave of absence who continue to be enrolled in an Employer-sponsored healthcare plan shall be required to make the contribution in order to maintain enrollment in the plan regardless of the number of hours actually paid or type of time used (e.g., regular, annual, sick, etc.).

D. Retirees are no longer entitled to receive postretirement healthcare benefits or other healthcare coverage
from the County. Additionally, retirees, including those
enrolled in the Healthcare Retirement Trust, will not be offered
the right or opportunity to purchase coverage under the
County's Employee group plans. Bargaining unit members
with twenty (20) years or more of completed service as of
October 1, 2015, when eligible to retire, will be eligible to
receive post-retirement retiree healthcare stipends (attached as
Appendix \_), as determined pursuant to the healthcare
eligibility provisions contained in the settlement in

MacDonald, et al v. County of Wayne, et al, Circuit Court Case No. 09-031117.

- E. Qualified Employees may select only one health care plan option. Selection and enrollment of a qualified Employee and his or her eligible dependents in an available health plan will remain the responsibility of the Employee.
- F. Spouses who are eligible for primary medical coverage through another employer shall not be eligible for primary coverage through Wayne County.

#### 31.3 : Coordination of Benefits

The Employer will continue to coordinate medical and dental benefits with insurance carriers of spouses and dependents of Wayne County active employees. All employees and retirees must notify the Benefits Administration Division of any changes, including but not limited to, marital, dependent, employment and insurance status.

## 31.4: Vision Benefits Option

- 1. Full-time active employees have vision insurance coverage for themselves and their eligible dependents.
- 2. Vision exams will be covered under the employee's medical plan once every twenty-four months.
- 3. Frames, lenses or contact lenses will be covered once every twenty-four months under a vision benefit plan at the levels provided in Appendix.

## 31.5 : Dental Insurance

Employees may select coverage to be offered by several providers as determined by the County. However, the County will only fund up to the cost of a specified DHMO for present coverage, presently \$20 per month. Additional coverage cost will be paid by the employee-. Employer is not required to offer the Dental Insurance Coverage offered under this Agreement through any specific carrier.

#### 31.6 : Cost-Containment Programs

The Employer reserves the right to implement healthcare costcontainment programs. The cost-containment programs may require that the insured follow procedures prescribed by the provider in order to be eligible for benefits. The Employer also reserves the right to change a provider or benefits administrator with 60-days' notice to employees.

#### 31.7: Life Insurance

The Employer shall pay the full premium for \$30,000 of group life insurance for each full-time permanent employee within the bargaining unit.

Supplemental life insurance is available under a group plan at the option of the employee.

#### 31.8: Definition Of Full-Time Employee

Full-time employees, for the purpose of this article, shall mean an employee who is hired to perform at least thirty-two (32) hours of work per week.

## 31.9: Workers' Compensation

- A. All Employees will be covered by the applicable workers' compensation laws. The Workers' Disability Compensation Act currently provides a mandatory seven (7) day waiting period before compensation payments commence.
- B. Employees on workers' compensation shall receive medical benefits for 3 months or less of continuous disability. Optical, life, and dental insurance benefits are eliminated during this time.
- C. When workers' compensation payments commence, unused sick and annual leave may be used (at the employee's option) to supplement compensation payments. Under no circumstance shall the combined income sources exceed one hundred percent (100%) of the employee's weekly after-tax wages.
- D. Employees receiving workers compensation for up to eighteen (18) months shall earn annual leave at 50% and sick leave at 75%.
- E. If an employee has a work-related disability, the Employer may void seniority rights to place this individual

back to work in an open position meeting their restrictions if the employee is minimally qualified for the job. The employee shall be paid at the same rate prior to disability unless the new light duty position is paid at a higher rate by the bargaining unit contract.

#### 31.10: Unemployment Insurance

- A. The Employer shall be an Employing Unit under the terms of the Michigan Employment Security Act in the regular manner prescribed by the Michigan Employment Security Commission.
- B. The Employer shall furnish employees with copies of the Michigan Security Commission Form UC 1711 on separation from employment.

## 31.11: Optional Insurance

- A. Using payroll deduction, employees shall have the option to secure additional insurance coverage through a program selected by the County.
- B. The employee who applies for disability benefits under the County's Plan must furnish proof of coverage or a denial of any other disability or no-fault coverage as well as proof of the amount of benefits received from his/her supplemental disability or no-fault insurance. Failure to provide this information within 30 days from a request for this information may result in a delay, suspension or denial of benefits by the County.

#### 31.12: Legislative Compliance

The terms and conditions of this Article are intended to comply with all applicable laws and regulations. If any of the terms or conditions herein result in or become incompatible with applicable law., appropriate adjustments will be made to result in compliance.

The parties recognize that the employee cost sharing terms contained in this collective bargaining agreement ("Agreement") cannot be inconsistent with the employee cost sharing mandate specified in the Public Funded Health Insurance Contribution Act (Public Act 152 of 2011, or "Act")

		Accordingly, if during the term of this Agreement the County determines that the aggregate employee cost sharing for any plan year is to fall short of the mandate specified in the Act, it shall have the right, upon providing thirty (30) calendar day notice to employees, to adjust employee cost sharing and/or contribution amounts to bring the County into compliance with the Act. Moreover, the County shall retain the unilateral right to elect on an annual basis between the hard cap or 80/20 provision, as so provided under sections 3 and 4 of the Act. The County shall also retain the exclusive right to pursue a prescription drug cost containment program under Sec. 340(B) of the Public Health Service Act.
Retirement	Employer	ARTICLE 37 - RETIREMENT
Contributions		37.01 : General Provisions.
		A. The detailed provisions of the Wayne County Employees' Retirement System Ordinance, as amended, control except where changed or amended below.
		B. Each employee shall participate in a retirement plan offered by Wayne County. Maximum retirement benefit provisions for each plan rem n unchanged from those in the prior agreement between the parties that expired on September 30, 2014.
		C. Employees participating in a retirement plan offered by Way1;1e County must meet all age and service requirements of the Retirement Plan at the time of retirement and have twenty or more years of seniority, as of October 1, 2017, to be eligible for post-retirement health care stipends as provided in the Appendix. Retiree healthcare stipends will be determined pursuant to the healthcare eligibility provisions contained in the settlement in Hugh MacDonald, et al v County of Wayne, Circuit Court Case No. 09-031117 ("MacDonald').
		If a member of AFSCME Local 3317 demotes into this bargaining unit, that member will not, under any circumstances, be entitled to receive, upon their retirement from the County, any County-funded healthcare benefits, including healthcare stipends pursuant to the MacDonald healthcare eligibility provisions, regardless of their seniority as of October 1, 2017.

- D. The Hybrid Retirement Plan 5 is mandatory for all employees hired, re- employed, re-instated, or rehired on or after October 1, 2001.
- E. Change in Pension Multiplier. Any multiplier exceeding 1.25%, for purposes of determining retirement compensation in the County's defined benefit plans shall be reduced to 1.25% of average final compensation ("AFC") for all years of credited service accrued after October 1, 2015.
- F. For all retirements effective on or after October 1, 2015 regardless of plan, AFC shall be equal to the average of the last ten (10) consecutive years of compensation while a member of the Retirement System and shall only include base wages. Overtime, holiday premium pay, sick leave, and vacation leave banks shall not be used to calculate AFC.
- G. For all participants, regardless of retirement plan, ten years of service are required before retirement benefits become vested.
- H. Normal Retirement, regardless of retirement plan, shall mean 62 years of age, with a transition period for active employees as of October 1, 2015, as follows:

Age as of October 1, 2015 Normal Retirement Age

61 years	60 years
60 years	60 years
59 years	60 years and 3 months
58 years	60 years and 6 months
57 years	60 years and 9 months
56 years	61 years
55 years	61 years and 3 months
54 years	61 years and 6 months
53 years	61 years and 9 months
52 years	62 years

Members are also eligible for Normal Retirement at age fifty-five (55) with thirty (30) years of service.

Deferred vested retirement shall be available to participants who have accrued ten (10) years of service and payable at age 65.

The maximum duty-disability benefit that may be received by any employee shall not exceed sixty percent (60%) of the employee's AFC.

I. Benefit accruals for bargaining unit members with respect to service rendered prior to October 1, 2015, will be frozen based upon a member's years of service, Average Final Compensation ("AFC") (which shall not include unused sick leave or vacation leave banks), eligibility, and pension multiplier formulae ("Frozen Accrued Benefit") as of September 30, 2015. As a result, benefits accrued through that date are subject to the eligibility provisions in the October 1, 2011 through September 30, 2016 collective bargaining agreement between the parties and not those above, i.e., not age sixty-two (62) or thirty (30) years of service/age fifty-five (55). Service earned on or after October 1, 2015 shall be credited to a member solely for the purposes of determining the member's vesting in and eligibility for payment of his or her calculated accrued benefit. This is shown in the following two examples:

For example, an employee retires out of Plan 6 with twenty-five (25) years of service on October 2, 2017. The first twenty-three (23) years of service shall be computed pursuant to the present provisions, i.e., the best five (5) out of the last seven (7) years of compensation. (Average of the best five (5) of the last seven (7) years of compensation x 2.5% x 23.) The last two (2) years would be computed by multiplying 1.25% x the two (2) years of service times the average base wage rate for the last ten (10) years. Wages shall mean wages actually paid.

For example, a member has fifteen (15) years of service, age forty-five (45) as of September 30, 2015. As of September 30, 2025, the member, having twenty-five (25) years of service, at age fifty-five (55), is eligible to receive the benefits earned through September 30, 2015. as those benefits are subject to the eligibility provisions in the October 1, 2011 through September 30, 2016 collective bargaining agreement, including twenty-five (25) years of service/age fifty-five (55). Moreover, these benefits (pre-October 1, 2015) are subject to the former AFC and multiplier provisions, including best five (5) out of the last seven (7) years, preceding October 1, 2015. The benefits earned after September 30, 2015 may be received

in 2030 pursuant to the eligibility requirements of the new CBA, thirty (30) years of service/age fifty-five (55).

J. The Employer reserves the right to place any employee hired after October 1, 2015, into Defined Contribution Plan #4. If an employee is placed into Defined Contribution Plan # 4, that employee will only accrue benefits pursuant to the applicable provisions of that Plan. Benefit accruals for such bargaining unit members with respect to the date of implementation of this change would be frozen based on years of service accrued under their old benefit plan(s).

Example: A bargaining unit member is 49 years old, in Plan #5, and is hired on October 1, 2015. After five (5) years, he is placed into Defined Contribution Plan #4. As of October 1, 2020, the bargaining unit member will have five (5) years in Plan #5. The next five (5) years in Plan #4 will apply to satisfy the eligibility requirement of ten (10) years for a deferred vested pension payable at age sixty-five (65).

Employees who render ten (10) or more days of service in a calendar month shall be credited with service for that month. The Retirement Commission may credit a full year of service to a member who renders at least 10/12 of a year of credited service during a calendar year. No more than one year of service credit may be credited in any one calendar year.

- K. Other than as provided in Section C herein, effective October 1, 2017, bargaining unit members, shall not be eligible to receive any County-funded health care benefits upon retirement, nor will bargaining union members, including but not limited to those enrolled in the Health Care Retirement Trust be offered the right or opportunity to purchase coverage under the County's group plans.
- L. Unless otherwise specified, the terms and conditions of each Retirement Plan as indicated in the following provisions are effective October 1, 2015.
- M. No provision in this Agreement is intended to reduce accrued pension benefits that were earned prior to the effective date of this Agreement.
- N. Regarding deferred retirement, vesting for all defined benefit plans shall occur upon completion of ten (10) years of

credited service. The amount of retirement compensation shall be computed as normal retirement but based on the actual number of years of credited service and average final compensation at the time of termination. The payment of retirement benefits shall begin at age sixty-five (65).

0. Part-time employees shall be excluded from the retirement system.

#### 37.02: Defined Benefit Plan #1.

For employees who are members of Defined benefit Plan #1, the detailed provisions of Wayne County Employees' Retirement System shall control except as specified above or where changed or amended below. Defined Benefit Plan No. 1 is unavailable to new members.

- A. Effective October 1, 2015, the amount of normal retirement compensation shall be equal to the sum of one and one-quarter percent (1.25%) of AFC for all years of credited service accrued on or after October 1, 2015.
- B. Employee contributions to the Retirement System under this Plan shall be seven percent (7%) on the first \$52,155.00 of gross wages annually, and eight percent (8%) of gross wages exceeding \$52,155.00 annually. Employee contributions shall apply to fund benefits accrued after the date of October 1, 2015.

Effective on the first day of the first pay period following the date of the 2021 Act 312 Award or October 1, 2021, whichever occurs first, Employee contributions to the Retirement System under this Plan shall be six percent (6%) on the first \$52,155.00 of gross wages annually, and - seven percent (7%) of gross wages exceeding \$52,155.00 annually.

For retirements effective on or after October 1, 2015, Average Final Compensation shall be calculated as the average of the last consecutive ten

(10) years of compensation and shall include only base wages.

C. Non-Duty Disability - 10 or more years of credited service.

- D. Duty Disability
- 1. Receipt of Worker's Compensation for injury related to disability.
- 2. May be reduced by amount of Long-Term Disability Plan payments.
- 3. The maximum duty-disability that may be received by any employee under Defined Benefit Plan #1 shall not exceed sixty percent (60%) of the employee's AFC as defined herein.
- E. Once an employee has elected to withdraw from Defined Benefit Plan #1, that employee may not return to Plan #1.

## 37.03: Defined Benefit Plan #2.

For employees who are members of Defined Benefit Plan No. 2, the detailed provisions of the Wayne County Employees' Retirement System shall control except where changed or amended below. Defined Benefit Plan No. 2 is unavailable to new members.

- A. The amount of retirement compensation shall equal one percent (1%) per year times average final compensation for the first 20 years, and one and one quarter percent (1.25%) per year times average final compensation for all years of service over 20 years.
- B. Compensation does not include payouts of sick annual leave or holiday banks unless expressly provided for in this Agreement.
- C. Vesting shall occur after ten (10) years of credited service.
- D. There is no employee contribution.
- E. Non-Duty Disability -
- 1. Requires 10 or more years of credited service.
- 2. Benefits may be reduced by the amount of Long-Term Disability Plan payments.

- F. Duty Disability-
- 1. Eligible employees in Defined Benefit Plan 2 shall receive a duty disability retirement benefit which will equal 60% of the employee's average final compensation.
- 2. Worker's Compensation benefits for injury related to disability may be reduced by the amount of Long-Term Disability Plan payments.
- G. Once an employee has elected to withdraw from Defined Benefit Plan No. 2, that employee may not return to Plan 2.

### 37.04: Defined Benefit Plan #3.

- A. Effective October 1, 2015, the amount of normal retirement compensation shall be equal to the sum of one quarter percent (1.25%) of AFC for all years of credited service accrued on or after October 1, 2015.
- B. Member Contribution The employee contribution shall be seven percent (7%) on the first \$52,155.00 of gross wages annually, and eight percent (8%) of gross wages exceeding \$52,155.00 annually. Employer contributions shall apply to fund benefits accrued after the date of October 1, 2015.

Effective on the first day of the first pay period following the date of the 2021 Act 312 Award or October 1, 2021, whichever occurs first, employee contributions to the Retirement System under this Plan shall be six percent (6%) on the first \$52,155.00 of gross wages annually, and seven percent (7%) of gross wages exceeding \$52,155.00 annually.

- C. Non-Duty Disability-
- 1. Requires 10 or more years of credited service.
- 2. Benefits may be reduced by the amount of Long-Term Disability Plan payments.

- D. Duty Disability -
- 1. Eligible employees in Defined Benefit Plan 3 shall receive a duty disability retirement benefit which will equal 60% of the employee's average final compensation.
- 2. Worker's Compensation benefits for injury related to disability may be reduced by the amount of Long-Term Disability Plan payments.
- E. Purchasing Credited Service.

Employees in Plan 3 may purchase, at total actuarial cost, years of credited service earned by the employee while employed with a previous governmental Employer, not to exceed the total number of years earned with that Employer.

#### 37:05: Defined Contribution Plan #4.

- A. Effective October 1, 2015, all employees in the Defined Contribution Plan No. 4 shall contribute four percent (4%) of gross wages annually to the plan.
- B. Effective October 1, 2015, the Employer shall contribute ten percent (10%) of an employee's annual gross wages to the plan.
- C. Effective beginning December 1, 1997, employees may contribute an additional 7.5% of compensation to the Plan annually with no matching County contribution. The combined total contribution that an employee may make to Plan #4 and to the Deferred Compensation Program (the 457 Plan) cannot exceed \$30,000.00 annually and must otherwise conform to Internal Revenue Service Rules and Regulations.
- D. Non-Duty Disability- No Non-Duty disability retirement benefits available.
- E. Duty Disability Effective October 1, 2015, eligible employees may receive a duty disability retirement benefit in the form of an annuity purchased from available, vested Plan 4 contributions equal to sixty (60%) of the employee's average annual compensation as otherwise provided in Defined Benefit Plan #1.

The employee will be required to surrender all funds in the Plan, including both employee and vested Employer contributions. In the event an employee has an outstanding loan from the Plan, loan payments shall continue as scheduled through equivalent withholding from the employee's monthly disability retirement benefit until such loan is repaid in full. Should the employee become deceased prior to full repayment, the employee's estate shall be responsible for any outstanding amount.

F. Once an employee has elected to withdraw from Defined Contribution Plan No. 4, that employee may not return to Plan 4

37:06: Hybrid Retirement Plan #5.

#### A. General Provisions:

- 1. The Hybrid Retirement Plan shall be mandatory for all new employees hired and former employees re-employed, reinstated, or rehired on or after October I, 200 I.
- 2. Employees shall also be allowed to make contributions to the contribution side of Plan #5 with no Employer match, subject to all IRS rules and regulations.
- 3. Once an employee elects to transfer to the Hybrid Retirement Plan #5 that employee may not return to his or her prior retirement plan.

#### B. Defined Benefit Provisions:

- 1. Average final compensation shall be equal to 1.25% of average final compensation for all years of credited service accrued after October I, 2015.
- 2. Employees of record in Hybrid Plan #5 shall contribute seven percent (7%) on the first \$52,155.00 of gross wages annually eight percent (8%) of annual gross wages exceeding \$52,155.00. Employee contributions shall apply to fund benefits accrued after the date of October 1, 2015.

Effective on the first day of the first pay period following the date of the 2021 Act 312 Award or October 1, 2021,

whichever occurs first, employee contributions to the Retirement System W1der this Plan shall be six percent (6%) on the first \$52,155.00 of gross wages annually, and seven percent (7%) of gross wages exceeding \$52,155.00 annually.

- 3. For deferred retirement, vesting shall occur upon completion often (10) years of credited service payable at age 65.
- 4. Eligible employees shall receive a duty disability retirement benefit. The amoW1t of retirement compensation shall be computed as normal retirement with additional service credit granted from the date of retirement to age sixty (60). The total Hybrid Retirement Plan duty disability benefit, including that received W1der Section 37.06 (C)(3) below, shall not exceed sixty percent (60%) of the employee's average compensation as otherwise provided in Defined Benefit Plan #1.
- 5. Payments of workers' compensation benefits will be used to reduce an employee's retirement compensation. No age or service requirements apply.
- 6. Employees shall be eligible for a non-duty disability retirement upon completion often (10) years of credited service. The amount of retirement compensation shall be computed as normal retirement but based on the actual number of years of credited service and average final compensation at the time of termination. The Employer reserves the right to limit payments from the Retirement System through the use of proceeds from the Employer's long-term disability policy.
- 7. In the event of an employee's death prior to retirement, normal retirement shall mean ten (10) or more years of credited service or eight (8) years of credited service at age 65. The amount of retirement compensation paid to the spouse shall be computed as normal retirement, but actuarially reduced in accordance with a one hundred percent (100%) joint and survivor election. If there is no eligible spouse, unmarried children under age eighteen (18) shall receive equal shares of fifty percent (50%) of the normal retirement benefit.
- 8. Employees in the Hybrid Retirement Plan may purchase, at total actuarial cost, years of credited service earned by the employee while employed with a previous

governmental Employer, not to exceed the total number of years earned with that Employer.

#### C. Defined Contribution Provisions:

- 1. All employees in the Plan 5 Hybrid Retirement Plan, may contribute two (2%) percent gross compensation to the plan at his or her option in accordance with all Internal Revenue Service (IRS) rules and regulations; however, on or after October 1, 2015 there will be no Employer contribution to any employee Defined Contribution Accounts. An employee shall be immediately vested in one hundred percent (100%) of his or her contributions.
- 2. Upon termination, an employee may select one (1) of the following distribution options:
- a. Lump sum distribution of the vested account balance,
- b. Rollover of the vested account balance into a qualified plan, or
- c. Annuitizing the vested account balance if the employee is also eligible for a defined benefit pension.
- 3. Effective October 17, 2008, eligible employees may receive a duty disability retirement benefit in the form of an annuity purchased from available, vested Plan 5 contribution-side funds. The total Plan 5 duty disability benefit, including that received under section 37.06(8)(3) above, shall not exceed sixty percent (60%) of the employee's average compensation as otherwise provided in Defined Benefit Plan # 1.

The employee will be required to surrender all accumulated funds in the Plan, including both employee and vested Employer contributions. In the event an employee has an outstanding loan from the Plan, loan payments shall continue as scheduled through equivalent withholding from the employee's monthly disability retirement benefit until such loan is repaid in full. Should the employee become deceased prior to full repayment, the employee's estate shall be responsible for any outstanding amount.

37.07: Retirement Plan #6.

- A. Effective on the date the Wayne County Executive executed the 2008 2011 collective bargaining agreement (October 3, 2009), the County of Wayne established a new retirement benefit plan option #6 (i.e., Retirement Plan #6) for eligible employees of record in the bargaining unit as of December 1, 2008.
- B. The defined benefit side multiplier for all years of credited service shall be 1.25% of Average Final Compensation as defined herein for all years of credited service accrued after October 1, 2015.
- C. Employees of record in Hybrid Plan #6 shall contribute seven percent (7%) on the first \$52,155.00 of gross wages annually, and eight percent (8%) of annual gross wages exceeding \$52,155.00. Employee contributions shall apply to fund benefits accrued after the date of October 1, 2015.

Effective on the first day of the first pay period following the date of the 2021 Act 312 Award or October 1, 2021, whichever occurs first, Employee contributions to the Retirement System under this Plan shall be six percent (6%) on the first \$52,155.00 of gross wages annually, and seven percent (7%) of gross wages exceeding \$52,155.00 annually.

- D. Employees shall also be allowed to make contributions to the defined contribution side of Plan #6 with no Employer match, subject to all IRS rules and regulations.
- E. Once an employee elects to transfer to the new Retirement Plan #6, that

employee may not return to his or her prior Retirement Plan.

F. Eligible employees shall receive a duty disability retirement benefit. The amount of retirement compensation shall be computed as normal retirement with additional service credit granted from the date of retirement to age sixty (60). The total Plan #6 duty disability benefit, including that received under the contribution side of Plan #6, shall not exceed sixty percent (60%) of the employee's average compensation as otherwise provided in Defined Benefit Plan #1.

- G. The employee will be required to surrender all accumulated funds in the Plan, including both employee and vested Employer contributions. In the event an employee has an outstanding loan from the Plan, loan payments shall continue as scheduled through equivalent withholding from the employee's monthly disability retirement benefit until such loan is repaid in full. Should the employee become deceased prior to full repayment, the employee's estate shall be responsible for any outstanding amount.
- H. Employees shall be eligible for a non-duty disability retirement upon completion of ten (10) years of credited service. The amount of retirement compensation shall be computed as normal retirement but based on the actual number of years of credited service and average final compensation at the time of termination. The Employer reserves the right to limit payments from the Retirement System through the use of proceeds from the Employer's long-term disability policy.

## 37.08: No Retroactive Increase in Accrued Financial Benefits.

No improvement or increase in retirement benefits shall retroactively increase any participant's accrued financial benefit earned through the date of such modification.

#### 37.09 Purchase of Military Service.

- A. All employees may purchase up to a total of six (6) years of prior military service at full actuarial cost. Purchase shall be in one (1) month increments with twelve (12) months of purchased credited service needed for one (1) year of credited service.
- B. The Retirement Board shall establish rules for implementation of this Section.

#### 37.10 Disability Retirement.

The Director of Personnel/Human Resources shall have the authority to file a written application for disability retirement on behalf of any employee permanently or indefinitely disabled.

The provisions of Wayne County Retirement Ordinance shall continue to apply.

## 37.11: Retiree Life Insurance Benefits.

Effective October 1, 2015 Employees who retire from the bargaining unit shall no longer receive life insurance.

#### 37.12: Post-Retirement Health Care Benefit Trust.

- A. Employee Health Care Benefit Trust.
- 1. Employees shall make contributions in the amount of two percent (2%) of their base wage rate to fund the Trust. Contributions will be made in the form of bi-weekly payroll deduction, as specified in the Wayne County Health and Welfare Benefit Plan, and employees will otherwise be subject to the terms and conditions outlined herein.
- 2. The Employer shall not after October 1, 2015, make contributions to the Employee Health Care Benefit Trust ("Trust"). As a result, Employees will no longer accrue any additional contributions from the Employer. However, future service shall be credited towards any and all vesting requirements under the Plan. Employees shall continue to make contributions to the Trust pursuant to the terms herein and those presently not participating may enroll during open enrollment all in a manner consistent with IRS rules.
- 3. Fund distributions from the Trust will be subject to all applicable Internal Revenue Service rules and regulations.

# 37.13: <u>Changes in Composition of the Wayne County</u> Retirement Commission.

The Wayne County Retirement Commission shall consist of the following ten (10) individual trustees:

- A The chairperson of the County Commission or his or her designee.
- B A trustee chosen by the CEO, subject to approval by a majority of the County Commission, who is neither a participant in the plan or an employee of the County.

C • The County Executive or his or her designee.
D • Two trustees appointed by the County Executive, neither of whom is a participant in the plan or an employee of the County, and each of whom must be either a licensed or
certified professional in investment or finance or otherwise have an educational background and proven experience in municipal finance.
E • Three members of the Retirement System who are residents of the County to be elected by the members of the Retirement System. Each member trustee shall be from a different County department, as provided in the County Charter of January 1, 1987. The elections shall be conducted in accordance with procedures adopted by the Retirement Commission.
F. One retired member who is a resident of the County to be elected by the retired members and beneficiaries. The election shall be conducted in accordance with procedures adopted by the Retirement Commission.
G• 10th Trustee. An additional 10th trustee who shall not be a participant in the plan or employed by the County in any capacity shall be selected by the County Executive's Office, subject to approval by a majority vote of the Retirement Commission Board of Trustees, and is a licensed or certified professional in investment or finance. Such trustee shall serve as a full member of the Retirement Commission Board of Trustees and vote on any and all matters considered by the Commission. The term for this trustee shall be three (3) years.
37.14: Option to Transfer Full Administration of the Retirement System to MERS.
The County has, in its discretion, the right to transfer entire administration of the Wayne County Retirement System, including, but not limited to all defined benefit plans,
investment, defined contribution plans, eligibility issues, non- duty and duty disability, to the Municipal Employees' Retirement System of Michigan (MERS).
Callout for Union Status Quo shall be maintained. No change to CBA language.
Overtime
Double-time. Employer Status Quo shall be maintained. No change to CBA language.

Start of Work Week	Union	Status Quo shall be maintained. No change to CBA language.
Shift Preference	Employer	Status Quo shall be maintained. No change to CBA language.
Police Academy	Employer	ARTICLE 35 - POLICE ACADEMY
Academy		35.1 During the term of this Agreement, eighteen (18) bargaining unit members a year will attend an Academy. Thirteen of the eighteen slots will be filled by members based on seniority, and five of the slots will be filled at the discretion of the Sheriff. If any of the thirteen seniority-based slots are not filled due to an insufficient number of candidates able to meet the academy's admission standards, the Sheriff shall be able to fill the vacant slot(s) based on his/her discretion.
		35.2: Officers attending and successfully completing an MCOLES-approved police academy while working as an officer with the County shall be eligible for reimbursement for the cost of academy tuition of a maximum of \$3,000. Reimbursement may be distributed in four (4) equal annual payments. However, the employee will, in return, forfeit eligibility for tuition reimbursement under Article 34 of the CBA for the next two (2) years.
		35.3: All new employees hired into the classification of Police Officer on or after the execution date of this Agreement shall receive compensation for all services rendered at the base wage rate of \$29,698.00 per annum. At all times, Section 13.2 [Probationary Employees] will remain in full force and effect for all employees covered under this section [35.7].
		35.5: The Employer, through the Sheriff, will reimburse the employee up to a maximum of one hundred fifty-five dollars (\$155.00) for expenses related to the MCOLES administered tests and Academy mandated uniform, text books, or equipment purchases. In order to receive the reimbursement, the employee shall provide the proper receipts within thirty (30) calendar days after the successful completion of the Academy. This reimbursement is a one (1) time per candidate expense to the Employer with the following individual maximums: (1) the preemployment test battery involving both the reading and writing/physical agility tests will be reimbursed up to a maximum of fifty-five dollars (\$55.00) and (2) the Academy. mandated uniform, text books or equipment purchases will be reimbursed up

		to a maximum of one hundred dollars (\$100.00). Employees will be reimbursed for only those items mandated and authorized for the current Academy, as published by the Sheriff's Department Training Unit.	
		35.6: Notwithstanding anything in this Agreement to the contrary, effective October 1, 2016, except as provided in 35.2, eligibility for all tuition reimbursement shall be entirely at the discretion of the employer.	
Recognition	Employer	Status Quo shall be maintained. No change to CBA language.	
Gun Carriers	Union	Status Quo shall be maintained. No change to CBA language.	

#### 7. CONCLUSION

This Act 312 interest arbitration is distinctive in many respects. First, it is particularly difficult to find a comparable community. Although Detroit was considered, the fact remains that Detroit was able to shed billions of at the expense of creditors and insurers. Wayne County did not.

Second, in the present case Wayne County employees, to their commendable credit, have borne a significant burden of prior administrations' mismanagement and Wayne County's fiscal crisis through financial concessions made by many unions to the County. Regrettably, given the circumstances, POAM will be required to continue that burden to a certain extent until the fiscal circumstances of the County become further resolved.

Third, the evidence demonstrates that the cooperative efforts of the Employer and its employees, including the POAM bargaining unit, have made significant strides in addressing those fiscal issues, even though compounded by other external factors including the Covid-19 pandemic and associated labor market disruptions, which disruptions are as severely experienced in the law enforcement field as any.

As such, the Panel recognizes and accepts that there is a certain inherent unfairness that has been imposed on the employees who have chosen to stay with Wayne County, the most evident being that current employees bear the burden of addressing the fiscal mismanagement that unfairly benefited past employees.

Nevertheless, this Panel is statutorily required to give financial ability to pay the most significance in its determinations. It has endeavored to do so, which has resulted in the continuation of certain provisions which this Panel recognizes would otherwise be perceived as unjustified, but for the statutorily required primary focus on ability to pay.

Conversely, this Panel has focused its overall award toward addressing the severe staffing issue by maximizing recruiting and retention efforts and increasing wages. As such, it is recognized that current Wayne County employees, including the POAM unit, have done and are doing more than their fair share, pursuant to their prior concessions and this award, in maximizing the Employer's ability to pay wages that address the staffing/overtime issues. Although the Employer does have an impaired ability to pay, it simply cannot afford not to pay a basic wage that addresses those issues and labor market conditions. Simply put, the Employer must prioritize its expenditures and must prioritize recruiting/retention efforts at is jails.

Although this Panel's award will be disappointing regarding certain issues to both parties, this panel is reminded of the perseverance of one Wayne County's own:

"When everything seems to be going against you, remember that the airplane takes off against the wind, not with it." — Henry Ford