

6-2-89
Arb

3

MICHIGAN EMPLOYMENT RELATIONS COMMISSION
ACT 312 ARBITRATION
PUBLIC ACTS OF 1969 AS AMENDED

In the Matter of the Arbitration Between:

ALLEGAN COUNTY SHERIFF and
BOARD OF COMMISSIONERS

-and-

POLICE OFFICERS ASSOCIATION OF MICHIGAN

MERC Case No. G87 C-243

OPINION AND AWARD

Chairman of Arbitration Panel
Employer Delegate:
Labor Organization Delegate
Representing Employer
Representing Labor Organization

PAUL JACOBS
MICHAEL WARD
JIM DE VRIES
MICHAEL WARD
WILLIAM BIRDSEYE

Pre-Hearing Conference:
Hearings Held:

June 30, 1988
August 23, 1988
October 24, 1988
May 1, 1989
June 2, 1989

Executive Session of Panel:
Opinion and Order Issued:

PAUL JACOBS
4000 Town Center
Suite 910
Southfield, MI 48075
(313) 352-2040

LABOR AND INDUSTRIAL
RELATIONS COLLECTION
Michigan State University

RECEIVED
JUN 23 11 12 34
STATE OF MICHIGAN
DEPARTMENT OF
LABOR AND INDUSTRY

Allegan County

STATEMENT OF FACTS

The collective bargaining agreement between the parties expired on December 31, 1986. At the pre-arbitration hearing, one of the issues raised was the duration of the new contract. The contract is to run for three years, from January 1, 1987 through December 31, 1989. Since the prior collective bargaining agreement expired at the end of 1986, the parties are already in their third year without a contract. Therefore, the only logical way to proceed is with a three-year contract. Even with this three-year agreement, the parties will have to begin negotiating their next contract almost immediately.

Because all issues to be decided are economic, the Panel is required to accept the last offer of settlement made by one or the other party for each issue. The Panel, therefore, has the responsibility to determine which final offer made with regard to each issue is most consistent with the factors listed in Section 9 of Act 312, P.A. 1969, as amended. These factors are:

- (a) The lawful authority of the employer.
- (b) Stipulation of the parties.
- (c) The interests and welfare of the public and the financial ability of the unit of government to meet these costs.
- (d) Comparison of the wages, hours and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours and conditions of employment of other employees performing similar services and with other employees generally:

- (i) In public employment in comparable communities
- (ii) In private employment in comparable communities
- (e) The average consumer prices for goods and services commonly known as the cost of living.
- (f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.
- (g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
- (h) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration, or otherwise between the parties, in the public service or in the private employment.

Allegan County covers an area of 829 square miles and has a population of approximately 86,000. The County includes 24 townships, nine cities, and ten unincorporated units, with 120 miles of state and federal highways, and 25 miles of lakefront on Lake Michigan. The area also includes many private and public campgrounds, two hospitals, and 105 manufacturing plants scattered throughout the County. Commercial development is concentrated mainly in the cities of Allegan, Otsego, Plainwell, and Holland, one half of which city is located in Kent County.

The Department is made up, at the command level, of the sheriff, who is elected; an undersheriff, appointed by the sheriff; and three lieutenants, one to head up the detective bureau, one in charge of the road patrol, and one who works as the job commander. Five detectives are assigned to the detective bureau. There are, in addition to five detectives at the bureau, one sergeant, one deputy, and a truant officer who report to the lieutenant in charge of the detective bureau. The road patrol is made up of eight sergeants and 28 road deputies, who provide 24-hour service. The jail commander is in charge of corrections officers. Neither corrections employees nor command officers are covered under the instant contract, which agreement covers road deputies and detectives.

Detectives and road patrol officers are classified as deputies. The term "detective," although there is such a classification, refers to job assignment rather than classification, as used in this 312 hearing. An officer assigned as a detective has certain benefits not enjoyed by a road patrol deputy: A detective has an annual clothing allowance, a car to take home, and normally works from 8:00 a.m. to 4:00 p.m., Monday through Friday. Detectives must also work one week a month on the afternoon shift and some overtime, if required.

Road deputies work eight 10-hour shifts in a two-week period performing diverse duties. The majority of these deputies

have emergency medical treatment training, as do detectives. Seven deputies and two sheriffs work on each shift, working out of either the Allegan County Building, or branch offices in Fennville, Plainville, and Hopkins.

Deputies are trained to perform a variety of special assignments: The department has a snowmobile division, a salvage operation, and motor car specialists. Officers assist other departments in the County and assist with law enforcement activities in surrounding counties.

COMPARABILITY

The parties offered, for purposes of comparison, counties that each argued to be comparable to Allegan County, counties with full-time sheriff's departments.

The Union advances the local labor market theory as the criterion for established comparability. The Employer defers to this theory, but offers some counties which the Union does not include and eliminates two of the counties offered by the Union -- Kent and Kalamazoo. The counties offered are as follows:

<u>County</u>	<u>Union</u>
Barry	Barry
Berrien	Kalamazoo
Branch	Kent
Calhoun	Ottawa
Cass	Van Buren
Eaton	
Ionia	
Ottawa	
St. Joseph	
Van Buren	

All of the counties offered by the Union as comparables about Allegan County. The local labor market is defined by the Union as a geographic area within which a worker can change his place of employment without changing his residence.. This same definition is used by the Michigan Employment Security Commission and the U.S. Department of Labor to ascertain the local labor market. The Employer also defers to this definition.

The comparable counties were selected based on five criteria: 1) geographic location; all are in southwestern Michigan; 2) all include no city with a population of more than 50,000; 3) all have a total budget comparable to Allegan's; 4) total population; 5) State Equalized Value (SEV). The County excludes Kent and Kalamazoo Counties, listed by the Union, based on the fact that each has a large metropolitan city located within its borders, and more problems which may result in confrontation between law enforcement personnel and the citizenry. Both also have budgets significantly larger than Allegan County's; Kalamazoo's budget is over twice Allegan's, and Kent's is over four times Allegan's. With regard to State Equalized Value, Kent's SEV is more than five times that of Allegan, and Kalamazoo's, more than three times.

The local labor market approach is a persuasive one despite the fact that some of the Employer's comparable counties have certain characteristics that are similar to Allegan's.

Population figures may be very similar, and the absence of a large metropolitan city is clearly a distinction. Nevertheless, the argument that workers are located within a market based upon where they live is persuasive. Employers are thus vying for the services of a discrete group of workers, and an equilibrium is reached within a geographical area insofar as wages and benefits are concerned. It is sensible to assume that this market is best defined by a circle drawn around the area under discussion, striking the arc at a distance that can be driven within a reasonable period of time.

The testimony of Detective Dean Kapenga was supportive of the concept of the local labor market in that law enforcement officers who have left Allegan to work in another law enforcement agency have gained jobs in counties abutting Allegan County. Five officers who left went to Kent County, and one went to Ottawa, according to Kapenga, since the time he was hired by the Sheriff's Department in 1977.

Based on the testimony, the local labor market concept is accepted, and the counties offered by the Union will be used for comparability purposes.

Two of the issues initially presented have been settled between the parties: Holidays and Shift Preference. The Employer's final offer on holidays reads:

Article IX - Holidays

Section 1: New Year's Day, President's Day, Columbus Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, day after Thanksgiving, Veteran's Day, General Election Day, day before Christmas and Christmas Day are recognized legal holidays. When any of these holidays occur on Sunday, the said holiday will be observed on the following Monday. When any of these holidays occur on Saturday, it will be observed the Friday immediately preceding. Qualified employees will receive eight (8) hours of their straight time pay for each holiday or day celebrated as such.

The Union's final offer reads:

ARTICLE IX HOLIDAYS

Section 1: New Year's Day, President's Day, Columbus Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, day after Thanksgiving, Veteran's Day, General Election Day, Christmas Eve Day, and Christmas Day are recognized legal holidays. When any of these holidays occur on Sunday, the said holiday will be observed on the following Monday. When any of these holidays occur on Saturday, it will be observed the Friday immediately preceding. Qualified employees will receive eight (8) hours of their straight time pay for each holiday or day celebrated as such.

Holidays - Number to be effective January 1, 1989.

The Union's wording of this change in Article IX, Section 1 is adopted. Christmas Eve Day is to be a legal holiday, and the new provision is to be effective retroactive to January 1, 1989.

With regard to shift preference, the Union has presented language designated as Article V to describe the practice that

has been in effect and to resolve problems that have arisen. This language continues shift selection by seniority for six-month periods. The three-month period initially requested by the Union did not meet the Employer's needs insofar as scheduling vacations is concerned. The Employer is permitted under this new provision to change an employee's shift for cause or to accommodate training, and also to use its discretion in placing probationary employees. Article V is to read:

ARTICLE V
SHIFT PREFERENCE

- A. Employees shall make their shift selection in accordance with the following:
 - 1. By classification seniority;
 - 2. For the semi-annual periods of October through March and April through September;
 - 3. Shift selections shall be made thirty (30) days in advance of the semi-annually posted schedule.
- B. The employer reserves the right to change an employee's scheduled shift for cause or for training employees.
- C. Probationary employees shall be placed on the schedule at the discretion of the Employer.
- D. Employees may change their shifts by mutual agreement between the affected employee(s) and the Employer.

Shift Preference is to become effective as of the date of the award.

With the settlement of these two issues, there remain seven issues to be resolved:

1. Longevity
2. Sickness and Accident Insurance
3. Health Insurance Premiums
4. Pay for Injury Leave
5. Subcontracting
6. Pension - Normal Retirement Age
7. Wages

ISSUE 1 - LONGEVITY:

Employer's Final Offer:

The Employer's final offer with regard to longevity reads:

Article - Longevity

Section 1: Employees who have completed seven (7) or more years of employment with the County of Allegan shall receive a once-a-year lump sum payment of three hundred dollars (\$300.00) as longevity pay. Employees who have completed eight (8) or more years of employment shall receive a once-a-year lump sum payment of three hundred fifty dollars (\$350.00) as longevity pay. Employees who have completed twelve (12) or more years of employment with the County of Allegan shall receive a once a year lump sum payment of four hundred dollars (\$400.00) as longevity pay. For the purposes of determining longevity pay only, an employee who works an annual average of sixty (60) or more hours per pay period shall be paid the full longevity payment. An employee who works an annual average of forty (40) or more hours per pay period shall be paid one-half (1/2) of the longevity payment. An employee who works an annual average of less than (40) hours per pay period shall receive no longevity pay. The longevity payment shall be paid in December of each calendar year.

The Employer's proposal would thus increase longevity pay as follows:

<u>Present</u>	<u>Proposed</u>
After 7 years - \$200	After 7 years - \$300
After 10 years - \$300	After 8 years - \$350
After 15 years - \$400	After 12 years - \$400

No effective date is included in the Employer's final offer.

The Union's final offer covering longevity reads:

Appendix A

Bargaining unit employees shall receive an annual longevity payment in the first pay period in December in accordance with the following schedule:

5 - 9 years	\$350
10 - 14 years	500
15 - 19 years	650
20 years +	800

The seniority of eligible employees shall be computed as of September 1st each year.

Longevity to be effective January 1, 1989.

The Union asserts that its proposed increases, which would begin earlier (at five years) and also include additional steps, are justified, based on comparables and upon the fact that a one-year hiatus occurs during the sixth year of employment. The testimony does not, however, support that a hiatus occurs. Commissioner John Hinkle testified that most county employees become eligible for longevity pay after seven years of service. The reason for this startup date, according to Commissioner

Hinkle, is that employees are given merit increases for the first seven years of their employment. During these seven years, most of the training necessary to perform the job has been achieved, and employees are experienced in the mechanics of their positions. After seven years, when merit increases are no longer given, longevity pay is begun. Hinkle characterized this pay as a bonus for years of service (TR-172-177). No proof was offered by the Union to show that merit increases continue for only five years.

With regard to comparable counties, the Union offered data from the five counties that abut Allegan County. William Birdseye stated that he was unable to turn up through research that Kent County employees received a specific longevity payment. Insofar as the other four comparables (Barry, Ottawa, Van Buren, and Kalamazoo) are concerned, the figures are not persuasive that the Union's proposal is supported by such comparisons.

While it is true that all four counties start longevity pay earlier than Allegan does, they do not all pay more in the long run. Ottawa County, for example, paid \$250 after five years and \$350 after seven years in the period from January 1, 1986 through December 31, 1987. This \$340 figure is the amount the Employer offers at eight years. Ottawa County will, of course, be paying \$800 at the 12-year level, an amount significantly higher than the Employer's proposed figure of \$400 at 12 years.

Van Buren County also begins earlier, at two years of service, but after 10 years, the amount paid is \$400. Nothing is added under Van Buren's 1986 through 1988 contract after 10 years; therefore, the top figure in both Van Buren's contract and Allegan's proposal (after 12 years) is \$400.

Barry County receives less than the Employer's offer under its 1987 through 1988 contract during the early stages and goes to a maximum of \$500 after 25 years of service. At five years, however, Barry offers \$100.

Kalamazoo County is higher at the seven-year level than the Employer's proposal: \$398 for Kalamazoo and \$300 for Allegan. The Kalamazoo figures cover April 5, 1988 through December 31, 1989, however, and no figures are included for 1987. This County, Kalamazoo, offers the highest longevity benefits of all of the five counties looked at. The comparables thus show that the Employer's offered benefits are higher at certain levels of service than in other surrounding counties and lower than others. The Employer's offer is thus competitive.

Although the Employer does not state an effective date in its proposal, an effective date, it is assumed that because the status quo is accepted, the effective date will be the date of the new contract.

The Employer's final offer on longevity is adopted.

ISSUE 2 - SICKNESS AND ACCIDENT INSURANCE

The contract contains no provisions covering sickness and accident insurance. The parties both made proposals to add relevant language to the collective bargaining agreement.

Employer's Final Offer:

Article - Illness and Injury

Section 1: The paid sick leave program which existed prior to the execution of this Agreement shall be eliminated.

Section 2: The Employer shall pay off fifty (50%) percent of all sick leave accumulated by bargaining unit employees, prior to December 31, 1988, with a maximum pay off of three hundred (300) hours. This pay off of sick leave hours, accumulated prior to December 31, 1988, shall be at the hourly rate each individual employee was earning on December 31, 1988, in his/her regular position. It is agreed that the pay off of up to three hundred (300) hours shall be accomplished by paying off each employee up to a maximum of one hundred (100) hours upon execution of this Agreement. If an employee still has accumulated sick leave which has not been paid off, then on January 1, 1989, the Employer shall pay off up to one hundred (100) more hours. If an employee still has accumulated sick leave which has not been paid off on January 1, 1990, the Employer shall pay off up to one hundred (100) hours, thus concluding any obligation to pay off sick leave.

Section 3: Effective as soon as reasonably possible after the execution of this Agreement, the Employer shall purchase a disability income insurance policy which shall provide at the first day of non-duty related injury or the eighth day of non-duty related illness, an income equal to sixty-six (66%) percent of the employee's regular straight time earnings for a maximum of fifty-two (52) weeks. The employee can extend the coverage up to an additional fifty-two (52) weeks if the employee pays the premium for said additional coverage.

Section 4: On January 1 of 1989, and January 1 of each year thereafter, each employee will be credited with five (5) personal leave days which said employee may use

during the year for non-duty illness, injury, or personal business. If the employee does not use all of his/her personal leave days during a given year, said unused personal leave days shall be paid off at the end of the year at current wage rates.

Union's Final Offer:

Add language to the contract:

Effective (date of award) employees shall have the option of either selling their sick time banks as provided below, or continuing to maintain such sick leave banks. If payoff is elected, the Employer shall payoff one hundred percent (100%) of all sick leave accumulated prior to December 31, 1988. This payoff of sick leave hours shall be at the hourly rate of each individual at December 31, 1988 in his/her regular position. It is agreed that this payoff may be accomplished by paying off one-half (1/2) of such accumulated sick time hours during the fiscal year in which the arbitration award is rendered and the balance during the next fiscal year.

Prior to payoff and elimination of sick bank for employees electing such, the Employer shall provide, at no cost to employees, a disability income plan which shall pay from the first day of non-duty incurred injury or the eighth day of non-duty incurred illness an amount equal to two-thirds (2/3) of an employee's regular straight time pay up to a maximum of fifty- two(52) weeks. An employee shall be permitted to extend the coverage for an additional fifty- two (52) weeks provided that the employee shall be credited with five (5) personal injury leave days which may be used for short-term illness, injury, or personal business. Unused personal leave days shall be paid off annually at the end of the year at current wage rates.

Sickness and Accident Insurance to be effective date of award.

The Employer and the Union do not disagree about the terms of the sickness and accident insurance plan that is to be implemented. The areas of disagreement concern only how the current sick banks of employees will be liquidated and whether

employees will be permitted to elect either to be covered under the new insurance plan, or to remain under the present system.

One determining factor here must be that the insurance company will not write a group insurance policy for only part of the bargaining unit. The Employer thus cannot offer employees the opportunity to elect or reject the sickness and accident coverage. Even if this were not so, the record keeping that would be required to serve two groups of employees would be burdensome, particularly where such a small group is concerned.

The Union acknowledges that the comparables do not point to a solution to the dispute. The Union's concern is equity for employees who have, over a long period, built up a substantial sick bank through good attendance. It is true that an employee could have accumulated in his sick bank as much as 600 hours, and a payoff of 100% up to a maximum of 300 hours could mean that an individual employee will not be compensated for a substantial number of hours now in his bank. Employees have apparently never been able to obtain 100% compensation for banked hours, however; retiring employees have been paid at the rate of only 50% up to 240 hours for banked time. The offer to pay 100% of up to 300 banked hours over a three-year period (if necessary) is thus not unreasonable.

The Employer's final offer is adopted with regard to sickness and accident insurance.

ISSUE 3 - HEALTH INSURANCE PREMIUMS:

Employer's Final Offer:

The Employer's last best offer on this issue is that the language in the present contract be maintained.

The present language, Article XI, Section 1, reads:

ARTICLE XI
INSURANCE

Section 1: The County of Allegan shall pay ninety percent (90%) of the ward premium for Blue Cross-Blue Shield coverage for the employee, spouse and children (one person, two person and family policies) which includes basic hospital, medical and surgical benefits, the master medical plan and the prescription drug program. The employee shall pay the remaining ten percent (10%) of said ward premium. The County of Allegan shall pay ninety percent (90%) of the premium for the Delta Dental Plan and the employee shall pay the remaining ten percent (10%).

Union's Final Offer:

ARTICLE XI
INSURANCE

Section 1: The County of Allegan shall pay the full cost of the ward premium for Blue Cross-Blue Shield coverage for the employee, spouse and children (one person, two person and family policies) which include basic hospital, medical and surgical benefits, the master medical plan and the prescription drug program. The County of Allegan shall pay ninety percent (90%) of the premium for the Delta Dental Plan and the employee shall pay the remaining ten percent (10%).

Health Insurance Premiums to be effective date of award.

The Union is requesting this change pertaining only to health insurance premiums, not to dental coverage. The cost to the County, if the employees' present contributions of 10% were eliminated, would be \$11,854.93 over a three-year period (County 32). All Allegan County employees, including command officers, are presently paying 10% toward their health insurance premiums.

It is true that in the five comparable counties, employees do not contribute to health insurance premiums (Union 31). In those counties, however, the 1986 take-home pay of the average comparable employee was less than the 1986 take-home pay of Allegan Sheriff Department employees. Thus, even with insurance premiums subtracted, Department employees fare better than employees in comparable counties.

There are advantages beyond actual costs to be taken into account where a contribution from the employee is concerned. Such contributions help to prevent abuse in that not only the Employer, but also the employee, is made cost conscious and the escalation of costs is deterred rather than accelerated. It is true that the County does not offer an incentive bonus to employees who decline health insurance coverage in favor of using their spouses' coverage, but this is not the issue here. Costs are always made a part of any consideration of a proposal, and the 10% contribution by employees should have the effect of deterring escalation of such costs.

The Employer's final offer is adopted. No change is to be made in the contract with regard to health insurance premiums.

ISSUE 4 - PAY FOR INJURY LEAVE

Employer's Final Offer:

The Employer's last best offer is that the present contract language be maintained. That language reads:

ARTICLE VII
PAID SICK LEAVE

Section 4:

- (b) When an employee's absence from work is due to an illness or injury arising out of and in the course of his employment by the County and which is compensable under the Michigan Workmen's Compensation Act, after the first day of absence necessitated thereby, he shall be entitled to utilize his unused paid sick leave credits to make up the difference between the amount of daily benefit to which he is entitled under such Act and the amount of daily salary he would have received in his own job classification had he worked, but not to exceed the total equivalent of what he would have received in daily pay on an eight (8) hour pay day basis.

Union's Final Offer:

The Union proposes to change Article VII, Section 4(b), to read:

ARTICLE VII
PAID SICK LEAVE

SECTION 4:

- (b) When an employee is absent from work due to an illness or injury arising out of and in the

course of his employment by the County and which is compensable under the Michigan Workers' Compensation Act, he shall receive full salary from the Employer for the first seven (7) days, not deducted from sick time. After the first seven (7) days, the employee shall be entitled to utilize his unused paid sick leave credits to make up the difference between the amount of daily benefit to which he is entitled under such Act and the amount of daily salary he would have received in his own job classification had he worked, but not to exceed the total equivalent of what he would have received in daily pay on an eight(8) hour per day basis. In the event of exhaustion of, or dissolution of paid sick leave credits, the Employer shall provide the difference between the daily benefit and daily salary to a maximum of one (1) year from the time of illness or injury.

This proposal is related to the earlier issue discussing sickness and accident insurance because with the addition of insurance benefits to cover non-work-related sickness and accidents, the hours accumulated in employees' sick banks will have been liquidated. An employee will thus have no resource if he is absent with a work-related injury except Workers' Compensation benefits. Previously, an employee could supplement such benefits by drawing on his bank and continue to receive his full salary for as long as his banked hours lasted. Employees will, of course, still have five personal days each year, but these cannot be carried into the next year. In the instance of a long period of absence, an employee would have only Workers' Compensa-

tion benefits to rely upon, benefits that are reduced from his regular wages and limited in duration.

The Union's efforts to improve conditions for sick or injured employees who are off work because of a work-related illness or injury are not misplaced. Other counties do offer benefits to employees who are eligible for Workers' Compensation benefits that are not offered to Allegan workers.

Kent County, for example, with the approval of the personnel officer, allows salary payments to make up the difference between compensation benefits and salary for 12 weeks and then has employees use sick bank hours. Where an assault or gunshot injury occurs in the line of duty, 26 weeks are allowed before using sick bank hours is required. Only compensation benefits can be drawn after sick bank hours are exhausted, but a disability plan is in place to cover 60% of salary up to \$1,500 per month to age 65. Kalamazoo County also has similar coverage for 26 weeks before relying upon sick bank hours. Van Buren County supplements an employee's compensation benefits up to one year and pays 50% of the weekly wage for the next 12 months.

The remaining two counties, Ottawa and Barry, also provide benefits to cover work-related sickness or injury that are not extended to Allegan deputies. Both supplement Workers' Compensation benefits.

Based upon these comparables and the need for coverage, when an employee is absent with a work-related problem, the Union's proposal is accepted. The Employer's offer would leave deputies with only their Workmen's Compensation coverage and with no sick bank to rely upon for even a portion of the span of a long-term injury.

The Union's final offer is adopted with regard to pay for injury leave.

ISSUE 5 - SUBCONTRACTING:

Employer's Final Offer:

The Employer's last best offer with regard to subcontracting is that the present language be maintained.

Union's Final Offer:

The Union proposes to change the language of Article XII - General, Section 5, to read:

ARTICLE XII

GENERAL

Section 5: The Sheriff shall have the right to subcontract or secure auxiliary services to perform work normally performed by bargaining unit employees if and when, in his judgment, he does not have the available or sufficient manpower, proper equipment, capacity, and ability to perform such work within the required amount of time or during emergencies. Overtime shall first be offered and reasonably distributed to bargaining unit members.

The Union proposes that this language be made effective as of the date of award.

The Union's proposed change would replace the final 17 words of the present Section 5. That original wording was: ". . . or when such work cannot be performed by bargaining unit employees on an efficient and economical basis." This change would significantly change the way the Employer has used part-time employees in the past.

The County has used part-time deputies to fill in when full-time deputies are absent. This situation arises when a full-time deputy is ill or injured, on vacation, or on Worker's Compensation leave. Part-time deputies also are called upon to perform special enforcement programs. During the period from January 1988 through July 1988, the Sheriff's Department used part-time employees for a total of 2,410 hours, paying them \$7.00 per hour for a total of \$16,870.

Had full-time deputies been used to fill all of these hours and been paid time and a half, the cost would have been \$42,367, or \$25,497 more than the cost using part-time employees (Employer 7). In addition, the Employer would be required to try to locate a full-time deputy in an emergency rather than to use the part-time employees now available. This could create a time delay if several deputies refuse, and the Employer has to attempt to find a willing deputy by calling officers in seniority order.

Because of the cost and the inconvenience and delay that would result if the Union's proposal were adopted, the Employer's proposal to retain the present language is persuasive. The comparables, moreover, do not lend support to the Union's argument.

Kent County's contract for 1986-1989 requires that Kent negotiate with the labor association about the impact of subcontracting if the work to be contracted out has formerly been performed by bargaining unit employees and jobs are lost as a result. In the instant situation, no jobs have been lost. During the past four years, four positions have been added to the collective bargaining unit.

The Union asserts, based on the testimony, that as normal attrition occurs, full-time employees could be replaced by part-time employees. It was brought out in the testimony that no ratio exists between part-time and full-time hours which automatically triggers the hiring of full-time personnel. This loss of jobs in the bargaining unit has not, however, occurred, and part-time workers have been used only to replace absent full-time workers or to perform special projects. This hypothetical situation used by the Union is thus not persuasive.

Ottawa County's contract contains language that includes conditions very similar to those in Allegan's contract. Efficiency and economics are factors that can be taken into account.

Van Buren and Barry Counties have no specific contractual provision addressing this issue.

The final comparable to be considered is Kalamazoo County where reserve officers cannot be used to perform duties normally performed or historically performed by bargaining unit members.

Based on the comparables and the costs and inconvenience involved, the Union's proposal cannot be accepted. The Employer's final offer is, therefore, adopted. The language of Article XII, Section 5, is to remain the same as in the present contract.

ISSUE 6 - PENSION - NORMAL RETIREMENT AGE:

Employer's Final Offer:

The Employer proposes to change Article XII - General, Section 6, to read:

Section 6: The Employer shall pay the employee contribution to the County Pension Plan. Effective December 31, 1984, all remaining employees in the bargaining unit will receive the C-2 pension benefit level. Effective January 1, 1989, the Employer shall add benefit program F55 with full retirement allowance at age 55 with required period of credited service of twenty-five (25) years. The cost of this F55 program shall be paid fifty (50%) percent by the Employer and fifty (50%) percent by the employee.

Union's Final Offer:

The Union proposes to change Article XII, Section 6, to read:

Section 6: The Employer shall pay the employee contribution for the County's MERS pension plan which shall cover all bargaining unit members at the C-2 benefit level. Effective December 31, 1989, the Employer shall pay the cost for the MERS F-55/15 waiver for all members of the bargaining unit.

Pension - Normal Retirement Age to be effective December 31, 1989 (last day of the contract).

The change the Union proposes is that bargaining unit members be given a normal retirement age of 55 instead of 60, effective December 31, 1989. The present 10-year service requirement would then become a 15-year requirement. The actuary report (Union 39) shows that the cost for the plan would be approximately 2.88% of payroll. The County's proposal offers to drop the retirement age to 55, effective January 1, 1989, but to increase the service requirement to 25 years. This plan would cost 1.83% of payroll of which the County would pay 50%, and the employee would be required to pay 50%.

The plan proposed by the Union is the same plan that command officers negotiated. Under the command officers' agreement, the County will pay 50% of the cost of the new benefit, and command officers will pay 50%. Bargaining unit employees under the instant contract are not bound, however, by provisions negotiated into a separate contract. In the case of deputies, there are persuasive reasons why a pension plan with a

retirement age of 55 and a service requirement of 15 years should be adopted.

The testimony of Detective Patrick O'Reilly was that there are employees who were hired after they were 35 years old, but he did not believe any were hired after they reached 40. He was aware, he said, of no one in the command unit who hired on after 35 years of age. Certainly, it would be fairly unusual for an officer to join the Department at 40 years of age. Since both the Union and the Employer agree upon the 55 retirement age, and only the years of service are in dispute, it is not unreasonable to accept the Union's proposal with the 15-year service requirement.

The Union's plan will allow the officer hired at 40 to receive this important benefit at 55, but that circumstance will arise infrequently. The benefit received by the 40-year-old hire will, in any event, be reduced because he has less service years at age 55. The Union's example shows that the officer hired at age 25 who has 30 years service at age 55 will receive twice the benefit of a 40/15 officer. Years of service greatly increase benefits.

While it is true that no comparable county has the 55/15 benefit, this is not the only consideration. Employees have never paid for pension costs, and the ability of the Employer to meet the costs of this Union proposal is extremely important.

Here, the pension fund was overfunded on December 31, 1986, by \$2,160,669 (Union 39, page 16), and the fund had been in that favorable condition since 1981. The plan proposed by the Union will require no additional costs to the Employer, and that plan is accepted.

The Union's final offer is adopted. The pension plan is to be amended effective immediately to allow a retirement age of 55 with 15 years of service with no cost to the employee.

ISSUE 7 - WAGES:

Employer's Final Offer:

1. Effective January 1, 1987, the Employers will increase the salary for the Deputy classification; i.e. range 40, by two (2%) percent over the December 31, 1986 salary.

2. Effective January 1, 1988, the Employers will increase the salary for the Deputy classification; i.e. salary range 40, by three (3%) percent over the December 31, 1987 salary.

3. Effective January 1, 1989, the Employers will increase the salary for the Deputy classification; i.e. salary range 40, by three (3%) percent over the December 31, 1988 salary.

Union's Final Offer:

WAGES FIRST YEAR OF CONTRACT (Represents 4% across-the-board) - Effective January 1, 1987:

40 Deputy:

Start:	8.06 - 16,675
6 Months:	8.32 - 17,306
1 Year:	10.87 - 22,605

2 Years:	11.50 - 23,925
3 Years:	12.38 - 25,742
4 Years:	12.72 - 26,457
5 Years:	13.03 - 27,106

WAGES SECOND YEAR OF CONTRACT (Represents 4% across-the-board) - Effective January 1, 1988:

40 Deputy:

Start:	8.30 - 17,436
6 Months:	8.65 - 17,998
1 Year:	11.30 - 23,509
2 Years:	11.96 - 24,882
3 Years:	12.87 - 26,772
4 Years:	13.23 - 27,515
5 Years:	13.55 - 28,190

WAGES THIRD YEAR OF CONTRACT (Represents 4% across-the-board) - Effective January 1, 1989:

40 Deputy:

Start:	8.72 - 18,133
6 Months:	9.00 - 18,718
1 Year:	11.75 - 24,449
2 Years:	12.44 - 25,877
3 Years:	13.39 - 27,843
4 Years:	13.76 - 28,616
5 Years:	14.10 - 29,318

Wages - First Year to be retroactive to January 1, 1987.
 Wages - Second Year to be retroactive to January 1, 1988.
 Wages - Third Year to be effective January 1, 1989.

The Union has also requested that employees performing detective duties be paid the rate requested for detectives as of the date of the award. In addition, the Union asserts that the percentage increases requested should be granted to all employees covered under the collective bargaining agreement. The Union

states in its brief that "the Impartial Chairman is without jurisdiction concerning the question [of the inclusion of certain classifications other than deputy in this Act 312 proceeding] and must proceed with an opinion and award as to the classifications contained in the Act 312 petition." The Petition for arbitration dated October 26, 1987, however, states, under "3. Unit Description," the following:

All deputies of the Sheriff's Department, excluding command officers, reserve officers, elected officials, dog warden, all part-time employees, including deputies and all other employees of the County of Allegan.

Deputies are thus the only classification of employees included in the petition. It is these deputies whose wages will be considered.

With regard to the detective classification, it is several years since a separate classification existed. To be given the assignment of detective, no promotional test is required. The officer assigned as a detective is classified as a deputy, but he receives, as stated previously, certain perquisites in that assignment: An insured car that he can take home, a clothing allowance, and more regular hours than road deputies. A handwritten agreement between the parties set out these changes. This agreement cannot be ignored. The issue of a separate detective classification is a proper subject for negotiations.

The Employer's proposal would give deputies a 2% wage increase over the 1986 wage for the year 1987, 3% over the 1987 wage for 1988, and 3% over the 1988 wage for 1989. The Union proposes increases of 4% for each of the years 1987, 1988 and 1989. Comparisons with the wages paid in the five counties used as comparables show that at the five-year level, the Union's proposed schedule most closely parallels the average.

For 1987, deputies at the five-year level would receive \$27,106 compared to the average for the other counties of \$27,391. The difference between the two figures is only \$285, whereas the difference between the Employer's proposed wage and the average is \$807. For 1988, the differences respectively are \$41 and \$849.

While some employees in other counties may contribute to the pension fund, the Panel must address itself to base wages, not just take-home pay. Here, the deputies have not had the advantage of increased wages during 1987, 1988, and part of 1989, and the County has had the use of that money. The cost of living has risen during that time period and is presently 6%. Because of these factors, the Union's proposal to increase wages by 4% during each of the three years of the contract is reasonable.

The Union's final offer on wages is adopted.

CONCLUSION:

The Panel orders the following:

ISSUE 1 - LONGEVITY:
Employer's Final Offer.

ISSUE 2 - SICKNESS AND ACCIDENT INSURANCE:
Employer's Final Offer.

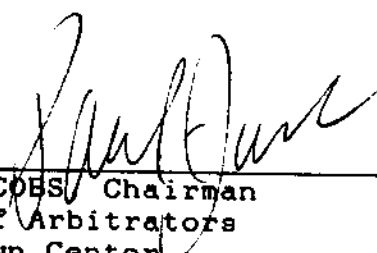
ISSUE 3 - HEALTH INSURANCE PREMIUMS:
Employer's Final Offer

ISSUE 4 - PAY FOR INJURY LEAVE:
Union's Final Offer

ISSUE 5 - SUBCONTRACTING:
Employer's Final Offer


ISSUE 6 - PENSION - NORMAL RETIREMENT AGE:
Union's Final Offer

ISSUE 7 - WAGES:
Union's Final Offer



PAUL JACOBS, Chairman
Panel of Arbitrators
4000 Town Center
Suite 910
Southfield, MI 48075
(313) 352-2040

ACT 312 - ALLEGAN - POAM



WILLIAM BIRDSEYE
Labor Delegate concurring on
Issue(s) _____;
Dissenting on Issue(s) _____
POAM 28815 West Eight Mile Road
Suite 103
Livonia, Michigan 48152

Michael Ward

MICHAEL WARD

Employer's Delegate concurring
on Issue(s) 1, 2, 3, 5

Dissenting on Issue(s) 4, 6, 7

Jacobs & Ward

6950 East N Avenue

P.O. Box 3368

Kalamazoo, MI 49003