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STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC GROWTH
EMPLOYMENT RELATIONS COMMISSION

IN THE MATTER OF:

IOSCO COUNTY,

Public Employer,

-and-

POLICE OFFICERS ASSOCIATION OF
MICHIGAN,

Labor Organization.

MERC Act 312
Case No. L04 J-3014

APPEARANCES

FOR PUBLIC EMPLOYER:

Dennis B. DuBay, Esq.
Iosco County

FOR LABOR ORGANIZATION:

Patrick J. Spidell
Police Officers Association of Michigan

PANEL DELEGATES:

Dennis B. DuBay, Esq.
Public Employer Iosco County

Patrick J. Spidell
Labor Organization
Police Officers Association of Michigan

PANEL CHAIRPERSON:

Karen Bush Schneider, Esq.

DATE OF HEARING:

December 14, 2006

Dated: May 17, 2007

INTRODUCTION

The Labor Organization, Police Officers Association of Michigan (hereinafter referred to as "POAM"), filed a Petition for Act 312 arbitration with the State of Michigan, Department of Labor and Economic Growth, Employment Relations Commission, on or about April 7, 2006. The Petition covered a bargaining unit described as all full-time sergeants, detectives, deputies, corrections officers, corporals, clerks, animal control officers, cooks, but excluding sheriff, under sheriff, jail administrator, confidential secretary, administrative secretary, part-time and temporary employees, and all other employees employed by the Public Employer, Iosco County (hereinafter referred to as the "County").

Pursuant to 1969 PA 312, an Arbitration Panel consisting of Karen Bush Schneider, Esq., Panel Chairperson, Patrick J. Spidell, delegate for POAM, and Dennis B. DuBay, Esq., delegate for the County, was constituted to conduct the hearing in this matter. A hearing was held on December 14, 2006, at the County Building, 422 Lake Street, Tawas, Michigan.

Following the conclusion of the evidentiary hearing, Last Best Offers were submitted by the parties on or about January 11, 2007. Post Hearing Briefs were exchanged on or about March 1, 2007. The Arbitration Panel convened on April 5, 2007, to deliberate on the outstanding issues in the case.

After due deliberation on the disputed issues, the Arbitration Panel issues this Award.

FINAL OFFER OF THE PARTIES

FINAL OFFER OF THE LABOR ORGANIZATION
POLICE OFFICERS ASSOCIATION OF MICHIGAN

Union

1. Administrative Leave
2. Uniforms - footwear
3. Personal Leave Days
4. Pass Days
5. Shift Premium
6. Wages
7. Stand-By Time

Employer

1. Health Care
 - a. coverage
 - b. drug co-pay
2. Pension – Defined Contribution

Duration shall be a three year agreement covering the period of January 1, 2005 to December 31, 2007.

Union considers Union Issue #4 (Pass Days) as the only non-economic issue.

Union Issue #1

ADMINISTRATIVE LEAVE

PRESENT:

No current language.

PROPOSED:

Add language to contract.

7.8: Paid Administrative Leave. This provision shall expire with the term of office of the current sheriff. Paid administrative leave shall be offered to employees for up to sixty (60) work days in the event employees have exhausted their sick and vacation time for purposes of sickness, injury or mental health. If an employee is charged with a crime and the employer decides to put the employee off work, it shall be with paid administrative leave until the matter is disposed of in the courts.

Administrative Leave to be effective date of award.

Union Issue #2

Uniforms - Footwear

PRESENT:

No current language.

UNION'S FINAL OFFER OF SETTLEMENT:

Add language to contract:

A. Uniforms – Footwear. The Employer shall continue to provide a footwear reimbursement program of sixty (\$60.00) dollars annually.

Footwear to be effective January 1, 2005.

Union Issue #3

PRESENT:

ARTICLE XIV
PERSONAL LEAVE DAYS

14.1 During the term of this contract, each permanent employee shall receive three (3) personal leave days per calendar year, which shall be credited on January 1st of each year. A personal leave day shall consist of eight (8) hours and must be taken in a minimum of one-half (2) day increments.

New employees hired before July 1st will receive three (3) personal leave days, if hired July 1st or after, one and one-half (1-1/2) personal leave days. Personal leave days may be taken without presenting reason, but prior notice of at least forty-eight (48) hours must be given, except in cases of emergency, to the immediate supervisor, Sheriff or Undersheriff.

Unused personal leave days may not be carried over in the following year.

14.2 Effective January 1, 2004, personal leave days will be increased by one-half day (4 hours).

UNION'S FINAL OFFER OF SETTLEMENT:

Union withdraws this issue, and desires status quo with no change to language and/or practice.

Union Issue #4

Pass Days

PRESENT:

No current language.

UNION'S FINAL OFFER OF SETTLEMENT:

Add language to contract:

11.11: Pass Days. Unless otherwise mutually agreed to between the Employer and the affected employee(s), the Employer shall schedule at least two (20 pas days consecutively, and pass days shall be scheduled on a weekend at least once every four weeks.

Pass Days to be effective [date of award].

Union Issue #5

Shift Premium

11.10: Shift Premium. All employees working the afternoon shift shall be entitled to a shift premium of ten (\$.10) cents an hour. All employees working the midnight shift shall be entitled to a shift premium of twenty (\$.20) cents an hour. For purposes of this section and for payment of the shift premium, the shifts shall be defined as follows:

0600 - 1200 Day shift

1200 - 1800 Afternoon shift

1800 - 0600 Midnight shift

UNION'S FINAL OFFER OF SETTLEMENT:

Add language to contract:

Effective January 1, 2005, the afternoon shift shall be increased to seventeen (\$.17) cents an hour and the midnight shift shall be increased to twenty-two (\$.22) cents per hour.

Shift Premium to be effective retroactive to January 1, 2005.

Union Issue #6

Wages

PRESENT:

Effective January 1, 2004

Classification	start	1 year	2 years	3 years	4 years	5 years
Detective	36,109					
Sergeant	36,109					
Deputy	25,729	29,879	31,622	33,534	33,922	34,405

UNION'S FINAL OFFER OF SETTLEMENT:

Effective January 1, 2005

Classification	start	1 year	2 years	3 years	4 years	5 years
	(2.0%)	(2.0%)	(2.0%)	(2.0%)	(2.0%)	(2.0%)
Detective	36,831					
Sergeant	36,831					
Deputy	26,244	30,477	32,254	34,205	34,600	35,093

Effective January 1, 2006

Classification	start	1 year	2 years	3 years	4 years	5 years
	(2.0%)	(2.0%)	(2.0%)	(2.0%)	(2.0%)	(2.0%)
Detective	37,568					
Sergeant	37,568					

Deputy	26,768	31,086	32,900	34,889	35,292	35,795
Effective January 1, 2007						
Classification start	1 year	2 years	3 years	4 years	5 years	
	(2.0%)	(2.0%)	(2.0%)	(2.0%)	(2.0%)	(2.0%)
Detective	38,319					
Sergeant	38,319					
Deputy	27,304	31,708	33,558	35,587	35,998	36,511

Wages effective retroactive to January 1, 2005 for all hours compensated.

Union Issue #7

STAND-BY TIME

PRESENT:

No current language.

UNION'S FINAL OFFER OF SETTLEMENT:

11.11: Stand-By Time. In the event an employee is ordered to be on "stand-by" and their off duty activities or private lives are restricted more so than other employees, such employees shall be paid one (1) hour straight time pay for each two (2) hours spent on "stand-by" status.

Stand-By Time effective retroactive to January 1, 2005.

Employer Issue #1a, b

Health Care:

- a. Coverage
- b. Prescription Rider

UNION'S FINAL OFFER OF SETTLEMENT:

Add language to contract:

Effective on the date of the Act 312 award or as soon thereafter as may be implemented by the County, the County shall provide all full-time employees covered under this

agreement and their eligible dependents with Blue Cross/Blue Shield Community Blue PPO Option 2 with a drug co-pay of \$10 Generic, \$40 Brand Name and MOPD Rx2 or its equivalent. A full-time employee eligible for the above coverage who has similar coverage available through a spouse employed by an employer other than Iosco County and who does not elect to participate in the above plan shall receive in lieu thereof \$1,000.00 per premium coverage year. The election may be made each coverage year during enrollment period. Employees covered by this contract may not, at the same time, be both a subscriber and dependent on any insurance set forth in this Article. These employees shall have the right to choose which employee shall be the subscriber.

Employer Issue #2

DEFINED CONTRIBUTION – NEW HIRES

UNION'S FINAL OFFER OF SETTLEMENT:

The Union desires to maintain the status quo and proposed no change to contract language or practice.

FINAL OFFER OF THE PUBLIC EMPLOYER
IOSCO COUNTY

UNION ISSUES

Union Issue No. 1 (Economic):

Wages, Appendix A.

County's Final Offer of Settlement:

Effective January 1, 2005 – December 31, 2005:

The wage rates in Appendix A of the parties' prior contract shall be maintained unchanged (0% increase).

Effective January 1, 2006 – December 31, 2006:

The wage rates in Appendix A of the parties' prior contract shall be maintained unchanged (0% increase).

Effective January 1, 2007 – December 31, 2007:

The wage rates in Appendix A of the parties' prior contract for employees subject to the Act 312 Arbitration shall be increased by three (3%) percent.

Effective date: Date of Award.

Union Issue No. 2 (Economic):

Article XI, Hours of Work and Overtime, Section 11.10, Shift Premium.

County's Final Offer of Settlement:

Maintain status quo and continue current language.

Effective date: January 1, 2005.

Union Issue No. 3 (Economic):

Article XIV, Personal Leave Days.

County's Final Offer of Settlement:

Maintain status quo and continue current language.

Effective date: January 1, 2005.

Union Issue No. 4 (Economic):

Article XII, Holidays, Section 12.1, subsection B.

County's Final Offer of Settlement:

Maintain status quo and continue current language.

Effective date: January 1, 2005.

Union Issue No. 5 (Economic):

Article VII, Leaves of Absence. Proposed new 7.8 Paid Administrative Leave.

County's Final Offer of Settlement:

Maintain status quo and continue current contract.

Effective date: January 1, 2005.

Union Issue No. 6 (Economic):

Article XV, Insurance and Other Benefits, Section 15.8, Uniforms (Uniform – Footwear).

County's Final Offer of Settlement:

Maintain status quo and continue current language.

Effective date: January 1, 2005.

Union Issue No. 7 (Economic):

Article XI, Hours of Work and Overtime. (Proposed new section 11.11 Pass Days).

County's Final Offer of Settlement:

Maintain status quo and continue current language.

Effective date: January 1, 2005.

Union Issue No. 8 (Economic):

Proposed new provision on stand-by time.

County's Final Offer of Settlement:

Maintain status quo and continue current language.

Effective date: January 1, 2005.

COUNTY ISSUES

County Issue No. 1 (Economic):

Revise Article XV Insurance and Other Benefits by designating the current section 15.1 as Section 15.1A. and by adding the following new Section 15.1 B. Section 15.1 shall provide as follows:

15.1: A. The County shall provide all full-time employees covered under this agreement and their eligible dependents with Blue Cross/Blue Shield Community Blue PPO Option 1 (Generic \$5: Brand \$10 drug co-pay) or its equivalent. A full-time employee eligible for the above coverage who has similar coverage available through a spouse employed by an employer other than Losco County and who does not elect to participate in the above plan shall receive in lieu thereof \$1,000.00 per premium coverage year. The election may be made each coverage year during the enrollment period.

Employees covered by this contract may not, at the same time, be both a subscriber and dependent on any insurance set forth in this Article. These employees shall have the right to choose which employee shall be the subscriber.

B. Effective on the date of the Act 312 award or as soon thereafter as may be implemented by the County, the County shall provide all full-time employees covered under this agreement and their eligible dependents with Blue Cross/Blue Shield Community Blue PPO Option 3 with a drug co-pay of \$10 Generic, \$40 Brand Name and MOPD Rx2 or its equivalent. A full-time employee eligible for the above coverage who has similar coverage available through a spouse employed by an employer other than Iosco County and who does not elect to participate in the above plan shall receive in lieu thereof \$1,000.00 per premium coverage year. The election may be made each coverage year during the enrollment period. Employees covered by this contract may not, at the same time, be both a subscriber and dependent on any insurance set forth in this Article. These employees shall have the right to choose which employee shall be the subscriber.

Effective date: Date of Award.

County Issue No. 2 (Economic)

Revise Article XV Insurance and Other Benefits, Section 15.7 by adding the following new Subsection C:

C. All employees hired after January 1, 2007 shall (in lieu of the retirement program set forth in Sections A and B above) be covered by a defined contribution plan under which the County will contribute seven (7%) percent of the employee's base salary each year.

Effective date: January 1, 2007.

STATUTORY AUTHORITY

Public Act No. 312 of 1969, MCL 423.231, *et. seq.*, provides for compulsory arbitration of labor disputes involving municipal fire fighters. Section 8 of the Act states, in relation to economic issues, that:

The arbitration panel shall adopt the last offer of settlement which, in the opinion of the arbitration panel, more nearly complies with the applicable factors described in Section 9. The findings, opinions and orders as to all other issues shall be based upon the applicable factors prescribed in Section 9. MCL 423.238.

Section 9 of the Act contains eight factors upon which the arbitration panel must base its opinion and orders. The factors are as follows:

- a. The lawful authority of the employer.
- b. Stipulations of the parties.
- c. The interests and welfare of the public and financial ability of the unit of government to meet those costs.
- d. Comparison of 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 sector or in private employment. MCL 423.329.

Section 10 of the Act provides that the decision of the arbitration panel must be supported by “competent, material and substantial evidence on the whole record.” MCL 423.240. This has been acknowledged by the Michigan Supreme Court in City of Detroit v Detroit Police Officers Ass’n, 408 Mich 410 (1980).

There, Justice Williams commented on the importance of the various factors, stating:

The Legislature has neither expressly or [sic] implicitly evinced any intention in Act 312 that each factor of Section 9 be accorded equal weight. Instead, the Legislature has made their treatment, where applicable, mandatory on the panel through the use of the word “shall” in Sections 8 and 9. In effect, then, the Section 9 factors provide a compulsory checklist to ensure that the arbitrators render an award only after taking into consideration those factors deemed relevant by the Legislature and codified in Section 9. Since the Section 9 factors are not intrinsically weighted, they cannot of themselves provide the arbitrators with an answer. It is the panel which must make the difficult decision of determining which particular factors are more important in resolving a contested issue under the singular facts of a case, although, of course, all “applicable” factors must be considered. *Id.*, at 484.

The Arbitration Panel applied all of the Section 9 factors in considering each of the disputed issues herein even if not specifically discussed.

STIPULATIONS OF THE PARTIES

The parties stipulated during the pre-hearing conference in this matter and again at the commencement of the evidentiary hearing to a waiver of the statutory time limits. (T-12.) The parties also stipulated to the submission of Exhibits 1 through 68. The parties further stipulated that all tentative agreements reached by the parties prior to the commencement of the hearing or that might be reached throughout the proceedings would be carried forward in the successor agreement. (T-18-19.)

Additionally, the parties agreed that the duration of the successor agreement would be three years, effective January 1, 2005, through December 31, 2007.

The County and POAM agreed that the following communities would be considered by the Arbitration Panel as external comparables within the meaning of MCL 423.239(d). (T-17-18.)

- Alcona County
- Alpena County
- Arenac County
- Crawford County
- Montmorency County
- Ogemaw County
- Oscoda County
- Roscommon County

**BACKGROUND INFORMATION CONCERNING
THE IOSCO COUNTY SHERIFF'S DEPARTMENT**

The County currently employs two road patrol deputies and one sergeant. (T-21-22.) The County's law enforcement services are supplemented by the Michigan State Police located in East Tawas, Michigan, the East Tawas Police Department, and the Oscoda Township Police Department. (T-22.)

The responsibilities of the road deputies include law enforcement, traffic patrol, service of public and judicial documents, acting as bailiffs, prisoner transport, and general law enforcement. (T-22-23.) The sergeant is responsible for supervising the road deputies, vehicle maintenance, service of public and judicial documents, and prisoner transport. (T-23.) The sergeant may also conduct investigations from time to time. (T-23-24.)

The two road deputies currently work the midnight shift from 11 p.m. to 7 a.m., Wednesday through Sunday. (T-24.) Both deputies have the same days off. (*Id.*) The sergeant's work shift is 8 a.m. to 4 p.m., Monday through Friday. (*Id.*)

THE COUNTY'S ECONOMIC CONDITION

The County asserted, through its witnesses and exhibits, that it has suffered a substantial decline in revenue in recent years, has had to balance its budget through transfers from its fund balance, and has limited ability to raise revenues.

The County presented its Treasurer, Elite Shellenbarger, to describe its financial status. Commencing in 2001, the County experienced a deficit and was required to transfer reserve funds balance its budget. The County ended the year with a \$640,000 deficit and reduced its general fund balance from \$1,140,000 to \$1,076,000. (T-32.) Similarly, in fiscal year 2002, the County experienced a substantial budget shortfall which caused its general fund balance to fall from \$1,076,000 to \$661,000. (T-34.) Again, in fiscal year 2003, the County was required to transfer out monies from the general fund to balance its budget. Shortfalls were also experienced in fiscal years 2004 and 2005. (T-35-36.) Indeed, by the end of fiscal year 2005, the County's general fund balance had declined to \$279,000. (T-36.) Although the County's auditors recommended that the general fund balance carry over 20% of its total general fund budget, to-wit, 1.2 million dollars, in fact the fund balance in fiscal year 2005 represented only 4.25% of total general fund budget. (County Exhibits 24-28.)

Given this series of budget shortfalls, the County sought to replace its revenue through the passage of millages in August and November of 2006. (T-36-37.) Unfortunately, both millage proposals were defeated. (*Id.*)

Also contributing to the County's woes, was the State Executive Office Plan which called for a phase out of state revenue sharing payments to counties over a three year period. (T-38.) Although the Plan called for the creation of reserve funds, those funds fell far short of the revenue sharing which the County had received in the past. (T-38-39.) The County has thus been forced to look at a reduction of budget expenditures to address its declining revenues.

According to the County, the three major financial problems facing it include maintenance of its 50-year old county building, the cost of the operation of its jail, and employee pension and health care costs. Reducing pension and health care costs (or at least controlling those costs) bears directly upon the positions that the County takes in this Act 312 proceeding.

With regard to pension costs, the County has been required to contribute ever increasing amounts to fund employer contributions to MERS, given stagnant investment returns. (T-42.) Annually, the County must contribute between \$300,000 and \$350,000 to meet the actuarial funding requirements of Article 9, Section 24 of Michigan Constitution 1963. Indeed, over the life of the expired collective bargaining agreement, County pension contributions increased from 9.74% to 14.91%.

Similarly, the County has experienced dramatic increases in health care costs as health care premiums have increased for the negotiated BC/BS Community Blue PPO Option 1, over the life of the expired collective bargaining agreement. Annual expenditures for full family coverage have increased per person from \$8,144.64 in 2002, to \$14,964 in 2006. (County Exhibits 33 and 34.)

POAM's view of the County's financial status is predictably more moderate. While it acknowledges that the County has been forced to dip into its fund balance to balance its budget over a period of the last few years, it notes that it has not had to take steps to reduce staff or services from 2001 to 2005. (T-48.) Despite two failed tax initiatives in 2006, the County imposed no hiring freezes, or staff or service reductions. (T-37.) Indeed, in 2007, the County gave other County employees a 3% wage increase. POAM observes that the County is second out of the ten external counties in taxing ability. Thus, POAM characterizes the County's argument regarding its financial condition to be more "unwillingness" to pay, rather than an "inability to pay."

In support of its 2% across-the-board increase, effective January 1, 2005, POAM asserts that its proposal would allow its bargaining unit members' wages to keep pace with those of the external comparables, yet they would remain \$1,000 below the average of the wages earned by the deputies employed by the external comparables. (Union Exhibit 50.) By contrast, if the County's proposal is accepted, the deputies' wages would fall to \$2,000 below the average.

UNION ISSUES

Union Issues 1A and 1A(1) – Wages Effective January 1, 2005, and Retroactivity/Effective Date

POAM proposes that its bargaining unit members receive a 2% across the board wage increase effective and retroactive to January 1, 2005, for all hours compensated. The County proposes a wage freeze for the period January 1, 2005, through December 31, 2005.

The parties agreed that wages would be treated as separate issues in each of the three years of the successor collective bargaining agreement. (T-156.)

Likewise, the issue of retroactivity will also be dealt with separately on a year-by-year basis. Thus, with regard to this issue, the Arbitration Panel must decide which wage proposal to award, as well as what retroactivity position to award.

With regard to internal comparability, POAM points out that the Steelworkers bargaining unit received a 2% increase in 2005, plus a \$250 per person signing bonus. The \$250 signing bonus made up for the fact that the Steelworkers' bargaining unit members did not receive retroactivity when they settled their contract.

In support of its proposal for a 0% wage increase, effective January 1, 2005, the County relies on its poor financial condition, declining revenues and millage defeats, as described, *supra*. The County asserts that the overall compensation received by POAM's bargaining unit members compares favorably to that received by the external comparables. (City Exhibit 39.) In calculating overall compensation, the County took into account the deputies' wages, shift premiums, holiday pay, premium holiday pay, longevity, personal leave pay, uniform/clothing allowance, payment in lieu of health insurance and pension contribution. For all shifts, the Losco County law enforcement personnel average approximately \$3,000 higher than the average overall compensation of the external comparables. (*Id.*)

The County argues that the Arbitration Panel should not award any increase to the bargaining unit members' wages for fiscal year 2005, and certainly no retroactivity, given the fact that although the Steelworkers' unit received an increase of 2% in wages for that year, it agreed to concessions in health insurance and pension, which resulted in savings to the County. The same was also true for the County's non-union personnel and elected officials. Had POAM's bargaining unit agreed to the

County's wage, health, and pension proposals, the County could have saved as much as \$3,200 per person for full family health coverage, which would have helped to fund the bargaining members' wage increases. Instead, the deputies continued to receive fully paid PPO Option 1 health insurance. To award the 2% increase, with full retroactivity, proposed by POAM would result in this bargaining unit receiving the continuation of the favored health insurance, along with the wage increase that the County "traded" to its other employee groups, in exchange for pension and health insurance reductions.

The Arbitration Panel has carefully considered the last best offers of the parties in conjunction with the Section 9 factors and awards the position of the County on both wages and retroactivity for fiscal year 2005. In so doing, the Arbitration Panel is constrained to apply the standards for decisions set forth in Section 9 of 1969 PA 312. Section 9(c) requires the Arbitration Panel to consider the financial ability of the County. The County's financial picture has declined substantially in the past few years. Not unlike the experience of other municipalities in the state of Michigan, reductions in revenue sharing, the constraints of Headlee and Proposal A, and the general restrictions on taxing authority, hamper the County's abilities to increase revenues to meet operational needs.

A review of the overall compensation of the external and internal comparables supports the position of the County on these issues. The overall compensation of POAM's bargaining unit members, even without an increase in 2005 wages, compares favorably to the overall compensation offered by the comparable counties. (County Exhibit 51.)

Significantly, if the Arbitration Panel were to award POAM's proposal on wages and retroactivity for fiscal year 2005, the result would be that this bargaining unit would have received a substantially higher "settlement" than the other employee groups in the County. Such a lopsided outcome is not justified by any special circumstances.

The lawful authority of the County requires that it operate with a balanced budget. To this end, it must be prudent in its expenditures. To favor one classification of employee over any other is simply not a prudent exercise of the County's authority, nor is it warranted by the interests and welfare of the public who, as taxpayers, ultimately pay for the County's services.

For the foregoing reasons, the Arbitration Panel awards the position of the County on the issues of the wage increase for fiscal year 2005, and retroactivity.

Issues 1B and 1B(1) -- Wages Effective January 1, 2006, and Retroactivity/Effective Date

POAM proposes a 2% across-the-board wage increase applicable to fiscal year 2006. POAM further proposes that the wage increase be fully retroactive to January 1, 2006. In response, the County proposes a 0% increase applicable to January 1, 2006; and further, opposes retroactivity if POAM's last best offer is awarded by the Arbitration Panel.

After careful consideration of the parties' last best offers and the Section 9 factors, the Arbitration Panel awards the last best offer of POAM on the issue of wages and the last best offer of the County on the issue of retroactivity.

The Arbitration Panel hereby repeats and incorporates by reference its findings under Union Issue 1A.

In its award on Issue 1A, the Arbitration Panel acknowledged that the County was able to offer other County employees a 2% wage increase in exchange for their concessions in the areas of health insurance and pension. Such a trade off is no longer possible for this bargaining unit, given the sheer passage of time. Thus, the Panel awarded a 0% wage increase for fiscal year 2005, since the bargaining unit had effectively received its wage increase through the continuation of the favored health insurance.

Nonetheless, to perpetuate the County's 0% wage proposal into the second year of the successor contract amounts to a punitive measure and is not supported by the Section 9 factors. To do so, would result in POAM's bargaining unit members not only foregoing a wage increase in year one, but also a wage increase in year two. Having paid for the health insurance through the sacrifice of a wage increase attributable to year one, the Arbitration Panel concludes that POAM should be awarded its wage proposal of 2% in fiscal year 2006, albeit without retroactivity. That would ensure that POAM's members would lose no further ground vis-à-vis either the internal or external comparables. The fact that they would not receive the retroactivity simply is a recognition that they received their "retroactivity" through the continuation of the favored health insurance plan.

Union Issues 1C and 1C(1) -- Wages Effective January 1, 2007 and Retroactivity/Effective Date

POAM proposes a 2% increase across the board attributable to January 1, 2007. It also proposes that the wage increase be fully retroactive to January 1, 2007. By contrast, the County proposes a 3% across the board wage increase attributable to

January 1, 2007. It proposes that any wage proposal awarded by the Arbitration Panel, be effective the date of the award.

The Arbitration Panel has carefully considered the last best offer of the parties regarding wages and retroactivity in the third year of the successor agreement in light of the Section 9 factors. For the reasons stated hereafter, the Arbitration Panel awards the proposal of the County on both the issues of wages and retroactivity/effective date.

The Arbitration Panel hereby repeats and incorporates by reference its findings with regard to the County's financial position and Union Issues 1A and 1B. Although the Arbitration Panel has carefully considered all of the Section 9 factors, it is most persuaded by the fact that the County awarded a 3% increase across-the-board to the County's other employee groups for 2007. Despite its lagging financial condition, the County felt confident enough to agree to offer such a wage increase to its other personnel. Awarding the County's position on the issue of wages maintains the relative compensation position amongst the internal comparables. Further, it continues to maintain the bargaining unit's position relative to the overall compensation of the external comparables. Accordingly, an award of the last best offer of the County on wages for 2007 is supported by the Section 9 factors.

As for the issue of retroactivity/effective date, the Arbitration Panel also views the County's position on this issue to be supported by the Section 9 factors. Since the passage of time has negated the County's ability to effectuate cost savings in the areas of health insurance and pension, an award of a wage increase effective the date of the Arbitration Panel's award would most equitably balance the County's

increased expenditures in the area of wages with its realized savings in the areas of health insurance and pension, as discussed *infra*. For the foregoing reasons, the Arbitration Panel also awards the position of the County on the issues of retroactivity/effective date in the third year of the contract.

Union Issues 2 and 2(A) -- Shift Premium and Retroactivity/Effective Date

Currently, POAM's bargaining unit members receive a shift premium of 10¢ per hour for afternoon shifts and 20¢ per hour for the midnight shift. POAM proposes to increase the shift premium from 10¢ per hour to 17¢ per hour for the afternoon shift and from 20¢ per hour to 22¢ per hour for the midnight shift. Two of the three bargaining unit members are assigned to the midnight shift. The Union also proposes that its proposal be retroactive to January 1, 2005.

The County proposes that the status quo be maintained throughout the life of the successor agreement.

In support of its proposal, POAM points out that eight of the nine external comparables have shift premiums which average 17¢ for the afternoon shift and 22¢ per hour for the midnight shift. (Union Exhibit 50.) Even the County acknowledges that the external comparables pay, on the average, higher shift premiums than those offered by the County. The County calculates that the external comparables pay, on average, 14¢ per hour in shift premium for the afternoon shift and 21¢ per hour for the midnight shift. (County Exhibits 42, 59, and T-108.) Accordingly, the Arbitration Panel concludes that external comparability favors adoption of the last best offer of POAM.

It is certainly appropriate to compensate employees who must work undesirable hours by providing them with an additional premium for their service. The

last best offer of POAM recognizes the personal sacrifice the bargaining unit members make in providing service to residents of the County. POAM's offer is, thus, supported by a number of Section 9 factors, including but not limited to Section 9(a), (c), (g) and (h).

The Arbitration Panel also concludes that it should award the last best offer of POAM on the issue of retroactivity. Whereas there was a nexus between wage increases and health care/pension savings, there is no similar "connection" between shift premium and any other economic issue. While the County could argue that its financial condition dictates that no retroactivity be awarded, comparability trumps that factor where the financial burden to the County is relatively modest.

In light of the foregoing, the Arbitration Panel awards the Last Best Offer of POAM on the issue of shift premium and on the related issue of retroactivity.

Union Issue 3 — Personal Leave Days

POAM withdrew this issue following the conclusion of the evidentiary hearing. Accordingly, the Arbitration Panel issues no ruling on it.

Union Issue 4 — Holidays

POAM withdrew this issue following the conclusion of the evidentiary hearing in this matter. Accordingly, the Arbitration Panel issues no ruling on it.

Union Issues 5 and 5(A) — Administrative Leave and Retroactivity/Effective Date

POAM seeks to add a new provision to Article VII of the collective bargaining agreement, specifically Article 7.8, which would require that the County place any employee charged with a crime on paid administrative leave until the criminal proceedings are disposed of in the courts. POAM also proposes that this provision be

effective on the date of the arbitration award. The County proposes to maintain the status quo.

In support of its last best offer, POAM points out that the County has acted “selectively” in the past in paying administrative leave to employees who have been charged with crimes, while denying it to others. POAM cited three examples of employees who had received paid administrative leave when they were alleged to have engaged in criminal activity. Those examples included an allegedly intoxicated employee who had to be forcibly removed from a private party by the police. That employee was given approximately 60 days of paid administrative leave without regard to his/her accumulated sick or vacation time. Another employee was granted paid administrative leave from the date of his arrest warrant through conviction of criminal sexual conduct with a minor female. Administrative leave was also paid to an employee who was charged with seven felony counts and was ultimately convicted. Rather than leaving it to the County's discretion whether to offer paid administrative leave when an employee is suspected of criminal activity, POAM seeks to have the benefit guaranteed by contract.

The County opposes POAM's proposal regarding administrative leave. According to the County, if the proposal is adopted, it will prevent the County from conducting its own departmental investigations and taking disciplinary action quickly where warranted. POAM's proposal treats all kinds of criminal charges in the same fashion, regardless of whether they are work-related or not. The County argues that POAM's proposal would leave the disposition of employee misconduct up to the courts, rather than to the County. The County's hands would be tied in addressing alleged

violations of employer work rules that also involve criminal prosecution. Under such circumstances, the County would be at the mercy of the whims of a local prosecutor or the uncertainties of the criminal justice system. A public employer should have the flexibility to investigate alleged violations of its work rules expeditiously and take appropriate action.

The County also argues that the examples POAM cited of situations where employees had been provided with paid administrative leave pending a resolution of criminal charges against them do not establish any disparate treatment which would support adoption of the POAM's last best offer on this issue. According to the County, the examples did not involve work-related misconduct. To the extent that these examples involved alleged criminal misconduct not occurring during work hours or in the work place, there is a questionable nexus to an employee's employment. Under those circumstances, the County may elect to await the outcome of the criminal justice process before taking any action it may deem appropriate from an employment perspective.

The Arbitration Panel has carefully considered the arguments of the parties on this issue and awards the last best offer of the County.

The lawful authority of the employer clearly permits, indeed mandates, it to take prompt investigatory and corrective action when employees engage in misconduct. This is particularly true when the employees in question are responsible for law enforcement.

The interest and welfare of the public favors the prompt investigation and resolution of employee misconduct, so as to ensure that the public receives the highest

quality law enforcement services. Further, it does not make sense to require that tax dollars be spent to continue the compensation of the employee who may have committed wrongdoing which would be just cause for the employee's separation from employment. Likewise, given the financial ability of the County to meet necessary expenditures, including labor costs, its financial resources are clearly better spent on more direct wage and benefit expenses.

Lastly, neither the internal, nor external, comparables appear to have a similar administrative leave provision. Thus, comparability supports the position of the County in this matter.

For all of the foregoing reasons, the Arbitration Panel awards the last best offer of the County on the issue of administrative leave.

Union Issues 6 and 6(A) — Uniform, Footwear and Retroactivity/Effective Date

POAM proposes that the County provide a footwear reimbursement program of \$60 annually, retroactive to January 1, 2005. The County proposes to maintain the status quo.

Currently, the collective bargaining agreement is silent as to reimbursement for footwear. According to POAM, there has been a longstanding practice, dating back to 1998, whereby the County has reimbursed employees up to \$60, annually for the cost of work shoes/boots. (T-103-104.) POAM desires to memorialize this past practice in the successor collective bargaining agreement.

In opposition, the County points out that the expired collective bargaining agreement contains a uniform reimbursement allowance up to a maximum of \$500 per year. Comparing that uniform allowance to those offered by the external comparables

reveals that the County ranks second amongst the external comparables for uniform reimbursement. (County Exhibit 47.) Since the uniform allowance is already above the average of the external comparables, the County asserts that there is no justification to add POAM's proposed footwear reimbursement benefit to the successor agreement.

The Arbitration Panel has carefully considered the last best offers of the parties, in light of the Section 9 factors, and awards the last best offer of POAM on the issue of uniform footwear allowance and retroactivity/effective date.

It has been a longstanding practice for the County to reimburse POAM's bargaining unit members up to \$60 annually for the price of work shoes/boots. POAM's last best offer seeks to expressly memorialize this longstanding practice in the successor collective bargaining agreement. Among the Section 9 factors, Section 9(h) permits the Arbitration Panel to consider factors normally and traditionally taken into consideration in collective bargaining. Past practice is such a factor. To the extent that footwear reimbursement has been a longstanding practice, it is appropriate to memorialize it in the successor agreement. Its cost to the County (\$180 annually) is de minimis. Further, there was no expression by the County of its intention to discontinue this practice, which it has continued to follow even after the expiration of the predecessor agreement.

In light of the foregoing, the Arbitration Panel awards the Last Best Offer of POAM on this issue and its corollary proposal that the benefit be retroactive to January 1, 2005.

Union Issues 7 and 7(A) — Pass Days and Retroactivity/Effective Date

POAM proposes to add language to the successor agreement which would guarantee that its bargaining unit members receive at least two consecutive pass days and that the pass days be scheduled on a weekend at least once every four weeks. POAM proposes that the language be effective the date of the arbitration award. The County's last best offer requests that the status quo be maintained on this issue.

According to POAM, a review of the external comparables supports its position on the issue of pass days. All nine of the external comparables schedule consecutive pass days. Further, six of the nine external comparables schedule at least one weekend off per month. (Union Exhibit 62.)

POAM's proposal on the issue of pass days ensures not only a sufficient rest period for bargaining unit members, but also ensures that they will have at least one weekend off per month which would permit them to engage in family pursuits. Currently, the deputies work midnights from Wednesday through Sunday, with two consecutive pass days – Mondays and Tuesdays. (T-115.) They have no regular weekends off, unless they use leave time.

The County opposes POAM's last best offer on the issue of pass days. The consistent scheduling of deputies on weekend nights has occurred as the result of scheduling difficulties encountered by the Department of State Police. Due to terms of the State Police contract, no State Police cars are on patrol from 4 a.m. to 7 a.m. any day of the week. In an effort to address that situation, the County determined to utilize deputies to cover this gap in law enforcement service. Since its deputies work five days

a week, the County attempted to schedule their pass day on the days of the week that had the lowest law enforcement demands. Mondays and Tuesdays are generally quieter than Saturdays and Sundays, when more domestic violence calls and alcohol-related events occur. (T-124-125.) If the County's deputies were off duty on Saturday and Sunday, the State Police would have to put an officer "on call" between the hours of 4 a.m. and 7 a.m. Law enforcement service would be diminished on any weekend when the County's deputies were scheduled pass days. Further, if only one State Trooper were on call, the response of a one man unit could jeopardize the delivery of law enforcement services under certain circumstances.

According to the County, none of the external comparables has a contractual provision guaranteeing one weekend off per month. (T-130-131.) While most counties have an informal policy which calls for one weekend off per month, an informal policy is subject to unilateral change by the counties at any time.

After careful consideration of the last best offers of the parties in light of the Section 9 factors, the Arbitration Panel awards the last best offer of POAM on the issue of pass days, as well as its proposed effective date.

The interest and welfare of the public is certainly promoted through retention of law enforcement personnel who have opportunities for sufficient rest periods and family time. Ultimately, those deputies will have greater job satisfaction, as well as sufficient energy levels to meet the demands of their law enforcement responsibilities.

The financial ability of the County government would not appear to be affected by POAM's proposal. Indeed, its recent shift to scheduling only Mondays and

Tuesdays off for the midnight personnel was due not to cost considerations of its own but, to accommodate the Michigan State Police with their scheduling restrictions. While it may be logical to assume there is a need for greater law enforcement protection on weekends, rather than on Mondays or Tuesdays, it is inequitable to saddle POAM's bargaining unit members with the responsibility to cover every weekend at the expense of their families.

It was undisputed that it has been the practice of the external comparables to schedule consecutive pass days and at least one weekend off per month for the road patrol personnel. Although the majority of the external comparables have only an informal policy to give one weekend off per month, the lack of express contract language does not diminish the fact that the external comparables view two consecutive pass days and a weekend off per month to be a prudent scheduling practice.

There are no other County employees who are required to work every weekend. Although the other employee groups are not employed 24/7, it is not unreasonable to expect that POAM's bargaining unit members have at least one weekend off per month.

For all of the foregoing reasons, the Arbitration Panel awards the last best offer of POAM on the issue pass days, as well as its last best offer regarding retroactivity/effective date.

Union Issues 8 and 8(A) — Standby Time and Retroactivity/Effective Date

POAM proposes to add new language to the successor agreement which would require the County to pay employees one hour of straight time for each two hours spent on standby status. POAM also proposes that its last best offer be retroactive to January 1, 2005. The County opposes POAM's proposal regarding standby time and proposes that the status quo be maintained.

On or about August 4, 2006, the County Sheriff issued a directive requiring deputies to periodically be on standby when off duty. If on call, deputies must be fit and available for duty and keep the Department advised of how they can be reached. The requirements that they remain fit and available for duty at all times limits their freedom of movement and association while off work. POAM argues that they can also limit what medications the deputies may take while off duty, since some medications may render them unfit for duty.

None of the other external comparables, nor the internal comparables, have such a standby policy. According to POAM, almost no other police agency in the state requires standby and, if they do, they offer some form of compensation.

One of the bargaining unit members lives in Bay City, a half an hour away from County offices. (T-145.) Even though required to be on standby, it is unlikely that this deputy could respond to an emergency in a reasonable period of time. (*Id.*) As of December, 2006, one deputy had logged over 1200 hours of standby time, while the other deputy had 950 hours of standby time. (T-142.) POAM asserts that its last best offer provides reasonable compensation for the County's intrusion on the deputies' off duty time.

The County opposes POAM's last best offer on the issue of standby time. The bargaining unit members are on-call every third week. The on-call policy requires only that the deputy leave a telephone number at which he/she could be reached, and that he/she maintain fitness for duty. (T-147.) If a bargaining unit member is called in, he is guaranteed a minimum payment at a rate of time and one-half. POAM's proposal calls for straight time compensation of the deputies on the basis of one hour for every two hours of standby time, without regard to whether the bargaining unit member is actually called back to work or not. The County characterizes POAM's proposal as "extraordinarily excessive, especially in view of the high salaries and overall compensation provided to unit members." (Post Hearing Brief of County, p. 32.) The County believes that POAM's proposal is intended to force the County to abandon its standby policy.

After careful consideration of the last best offer of the parties, in light of the Section 9 factors, the Arbitration Panel awards the last best offer of the County on the issue of standby time.

Under the County's standby policy, deputies are only required to be on standby one week out of every three. Further, that requirement boils down to their leaving a phone or number with the County and remain fit for duty.

While the Arbitration Panel understands POAM's concern that the County's mandatory standby policy infringes on the comings and goings of its bargaining unit members during their off duty time, its proposal to require one hour of compensation for every two hours of standby time is simply excessive. It results in bargaining unit members receiving compensation for hundreds of hours for which they

render no service. While some form of compensation for standby time is definitely appropriate, a more balanced compensation system should be negotiated by the parties. The Arbitration Panel urges the parties, in their upcoming negotiations, to address this issue realistically and determine the actual value of the standby "service" to the County and its residents.

The interest and welfare of the public, the financial ability of the County, external comparability and other factors normally and traditionally taken into consideration in collective bargaining simply do not support the last best offer of POAM, in its current form, on the issue of standby time. Accordingly, the Arbitration Panel awards the last best offer of the County on this issue.

County Issue 1 — Health Insurance Coverage

The County proposes to revise Article XV of the predecessor collective bargaining agreement by adding a new Section 15.1B. Effective on the date of the Act 312 Arbitration award, or as soon thereafter as may be implemented by the County, the County shall provide all full-time employees covered by the agreement and their eligible dependents with Blue Cross/Blue Shield Community Blue PPO Option III with a drug co-pay of \$10 generic, \$40 brand name, and MOPD RX2 or its equivalent.

In its last best offer, POAM proposes that, effective the date of the Act 312 Arbitration award or as soon thereafter as may be implemented by the County, the County shall provide all full-time employees covered by the agreement and their eligible dependents with Blue Cross/Blue Shield Community Blue PPO Option II with a drug co-pay of \$10 generic, \$40 brand name, and MOPD RX2, or its equivalent.

In support of its last best offer, the County points out that as of November 1, 2005, all POAM dispatchers, steelworkers, bargaining unit members and non-union employees and elected officials agreed to go to Community Blue Option II. Had POAM's bargaining unit members agreed to do likewise, the County could have saved \$1,328 per single coverage, \$2,828 per two person coverage, and \$3,222 per full family coverage.

The difference in the options is largely in the co-pays and deductibles that the plans call for. The County is seeking greater cost savings by proposing PPO Option III, \$10/\$40, effective the date of the arbitration award, because it is already in, or nearing, commencement of a new bargaining cycle with its other bargaining units.

The County also relies on the external comparables for support of its last best offer. It notes that a majority of the external comparables provides Option III or Options I or II with employee contribution toward premium. Employee premium sharing ranges anywhere from an annual dollar outlay of \$600 to \$2,000. (County Exhibit 66.) The County asserts that its proposal that this bargaining unit move from fully paid PPO Option I to fully paid PPO Option III is supported by the external comparables.

POAM proposes to change health care plans from fully paid Blue Cross/Blue Shield PPO I to fully paid Blue Cross/Blue Shield PPO II in the successor agreement. In support of its proposal, it asserts that all other County employees currently have fully paid Blue Cross/Blue Shield PPO II. With regard to the external comparables, POAM points out that three of the external comparables offer a PPO I plan and two offer BC/BS PPO II plan. Only two of the externals offer a PPO III plan and the remaining two offer a PPO IV plan. POAM further asserts that health insurance

rates have not increased as dramatically in recent years. Going from a fully paid PPO I plan to a fully paid PPO II plan, addresses the County's efforts to control costs, while maintaining quality health care coverage for the bargaining unit members.

The Arbitration Panel has carefully considered the last best offers of the parties in light of the Section 9 factors and awards the last best offer of the County on the issue of health insurance.

As has been thoroughly discussed throughout this award, the Arbitration Panel is aware of the financial constraints by which the County must operate. All other County personnel made the change from the PPO I plan to the PPO II plan in 2005. Although those employees currently have PPO II coverage, the County is intent on moving to the PPO III plan in the next cycle of bargaining. Further, the County employees make no contribution to the premiums for their health benefits.

Looking at the external comparables, it appears that the majority offer a PPO Option II or lesser plan and require an employee contribution toward the premium. For example, the three external comparables which offer PPO II, all require some form of premium sharing, which ranges from approximately \$1,200 to \$2,000. Of the three external comparables that offer PPO Option III and IV, no premium sharing is required. That is consistent with the last best offer made by the County on this issue.

Lastly, the Arbitration Panel observes that the differences between PPO Option II and III are mainly in the amount of co-pays and deductibles that the recipients will pay. Service coverage remains the same.

In light of the foregoing, the Arbitration Panel concludes that the Section 9 factors favor the last best offer of the County on the issue of health insurance.

County Issue 2 — Defined Contribution Retirement Plan

The County proposes that all employees hired after January 1, 2007, participate in a defined contribution plan to which the County will contribute 7% of an employee's base salary on an annual basis. Current bargaining unit members will remain in a defined benefit plan. POAM proposes to maintain the status quo.

In support of its last best offer, the County points out that all of the internal comparables have adopted a defined contribution plan for new hires. (T-47, 54.) Additionally, two of the nine external comparables provide defined contribution plans.

The County further supports its last best offer by reference to its financial condition and the necessity that it curb expenditures wherever possible. In recent years, the County has been called upon to make ever increasing pension contributions in order to constitutionally fund the employees' defined benefit plan. Shifting from a defined benefit plan to a defined contribution plan would, at least in the case of new hires, guarantee a fixed percentage contribution by the County on an annual basis. The County would not be forced to weather the vagaries of a volatile stock market and actuarial calculations in order to fund a pension plan for its employees.

POAM proposes to maintain the status quo. It emphasizes that all nine of the external comparables have defined benefit plans. Only two of the nine have adopted defined contribution plans for new hires. In one of those two cases, the employer's contribution to the defined contribution plan is higher than that proposed by the County.

POAM's bargaining unit members currently enjoy a MERS plan which makes them eligible for retirement after attaining 25 years of credited service. A defined

contribution plan, although portable, would have no "25 and out" feature. Further, POAM argues that a defined contribution plan would not provide the disability retirement benefits available to bargaining unit members under the MERS defined benefit plan.

The Arbitration Panel has carefully considered the last best offers of the parties and concludes that the Section 9 factors favor adoption of the last best offer of the County on the issue of defined contribution retirement plan.

As previously discussed, the financial condition of the County dictates cost containment whenever reasonable. Providing a defined contribution plan, as opposed to a defined benefit plan, allows that the County to control its pension contributions for new hires with relative certainty. Defined contribution plans are portable and will permit new hires to add pension contributions from other defined contribution plans in which they have participated. They can carry pension contributions with them when they leave County employment.

From a comparability standpoint, the internal comparables overwhelmingly support the County's position. The steelworkers and dispatchers units recently adopted a defined contribution plan for new hires. Likewise, a defined contribution plan is now offered by the County to new non-union personnel. Although only two of the nine external comparables have shifted from defined benefit to defined contribution plans for new hires, there is a trend in the public sector toward negotiating defined contribution plans as a cost containment measure.

Adoption of a defined contribution plan will allow new hires to receive pension contributions which normally will grow with proper investment. Current

employees may remain in the defined benefit plan, the retirement plan that was in place at the time of their hire.

For all of the foregoing reasons, the Arbitration Panel concludes that the Section 9 factors favor the last best offer of the County on this issue.

AWARD

Stipulation #1:

All tentative agreements of the parties and all other terms of the collective bargaining agreement which expired on December 31, 2004, shall be carried forward in the successor agreement.

Dated:

<u>May 24, 2007</u>	<u>Karen Bush Schneider</u> Karen Bush Schneider, Panel Chairperson
<u>May 22, 2007</u>	<u>Patrick Spidell</u> Patrick Spidell, POAM Delegate
<u>May 17, 2007</u>	<u>Dennis B. DuBay</u> Dennis B. DuBay, Esq., County Delegate

Stipulation #2:

The duration of the successor agreement which is the subject of this Award shall be three (3) years, effective January 1, 2005, through December 1, 2007.

Dated:

<u>May 24, 2007</u>	<u>Karen Bush Schneider</u> Karen Bush Schneider, Panel Chairperson
_____	<u>Patrick Spidell</u> Patrick Spidell, POAM Delegate
<u>May 17, 2007</u>	<u>Dennis B. DuBay</u> Dennis B. DuBay, Esq., County Delegate

Union Issue #1A – Wages, 2005

January 1, 2005 – December 31, 2005:

The wage rates in Appendix A of the parties' prior contract shall be maintained unchanged (0% increase).

Accepted:

Dennis B. Dubey
Harm Roush, Chairman

Rejected:

Patrick Spidell

Union Issue #1A(1) – Retroactivity

In light of the Arbitration Panel's adoption of the County's last best offer regarding wages for 2005, the issue of retroactivity is moot.

Accepted:

Dennis B. Dubey
Harm Roush, Chairman

Rejected:

Patrick Spidell

Union Issue #1B – Wages, 2006

January 1, 2006 – December 31, 2006:

Classification start	1 year	2 years	3 years	4 years	5 years
	(2.0%)	(2.0%)	(2.0%)	(2.0%)	(2.0%)

Accepted:

Patrick Spidell
Harm Roush, Chairman

Rejected:

Dennis B. Dubey

Union Issue #1B(1) – Retroactivity

The wage rates attributable to 2006 shall not be retroactive.

Accepted:

Dennis B. DeBruin
Garryn Pouch Schmidt

Rejected:

Patrick Spidell

Union Issue #1C – Wages, 2007

January 1, 2007 – December, 2007:

The wage rates in Appendix A of the parties' prior contract for employees subject to the Act 312 Arbitration shall be increased by three (3%) percent.

Accepted:

Dennis B. DeBruin
Patrick Spidell
Garryn Pouch Schmidt

Rejected:

Union Issue #1C(1) – Retroactivity/Effective Date of Wages, 2007

Effective date: Date of Award.

Accepted:

Dennis B. DeBruin
Garryn Pouch Schmidt

Rejected:

Patrick Spidell

Union Issue #2 – Shift Premium

Effective January, 2005, the afternoon shift premium shall be increased to seventeen (\$.17 cents an hour and the midnight shift premium shall be increased to twenty-two (\$.22) cents per hour.

Accepted:

Patrick Spidell
Garry Bush, Chairman

Rejected:

Dennis B. Dubay

Union Issue #2(A) – Retroactivity of Shift Premium

Shift premium to be effective and retroactive to January 1, 2005.

Accepted:

Patrick Spidell
Garry Bush, Chairman

Rejected:

Dennis B. Dubay

Union Issue #3 and #4 Were Withdrawn

Union Issue #5 – Administrative Leave

Maintain status quo and continue current language.

Accepted:

Dennis B. Dubay
Garry Bush, Chairman

Rejected:

Patrick Spidell

Union Issue #6 – Uniform Footwear

Add language to contract:

A. Uniforms – Footwear. The Employer shall continue to provide a footwear reimbursement program of sixty (\$60.00) dollars annually.

Accepted:

Patrick Spidell
James Paul Schmidt

Rejected:

Dennis B. Dubay

Union Issue #6(A) – Retroactivity of Uniform Footwear

Footwear reimbursement to be effective and retroactive to January 1, 2005.

Accepted:

Patrick Spidell
James Paul Schmidt

Rejected:

Dennis B. Dubay

Union Issue #7 – Pass Days

11.11: Pass Days. Unless otherwise mutually agreed to between the Employer and the affected employee(s), the Employer shall schedule at least two (2) pass days consecutively, and pass days shall be scheduled on a weekend at least once every four weeks.

Accepted:

Patrick Spidell
James Paul Schmidt

Rejected:

Dennis B. Dubay

Union Issue #7(A) – Retroactivity/Effective Date of Pass Days

Pass days to be effective the date of the Award.

Accepted:

Rejected:

Dennis B Dubay
Patrick Spideel
Garym Pouch, Jr. m. id. m.

Union Issue #8 – Standby Time

Maintain status quo and continue current language.

Accepted:

Rejected:

Dennis B Dubay
Garym Pouch, Jr. m. id. m.

Patrick Spideel

Union Issue #8(1) – Retroactivity/Effective Date of Standby Time

In light of the Arbitration Panel's adoption of the County's last best offer on the issue of standby time, the issue of retroactivity/effective date is moot.

Accepted:

Rejected:

Dennis B Dubay
Garym Pouch, Jr. m. id. m.

Patrick Spideel

County Issue #1 – Health Insurance Coverage

Revise Article XV Insurance and Other Fringe Benefits by designating the current Section 15.1 as Section 15.1A. and by adding the following new Section 15.B. Section 15.1 shall provide as follows:

15.1: A. The County shall provide all full-time employees covered under this agreement and their eligible dependents with Blue Cross/Blue Shield Community Blue PPO Option 1 (Generic \$5: Brand \$10 drug co-pay) or its equivalent. A full-time employee eligible for the above coverage who has similar coverage available through a spouse employed by an employer other than Losco County and who does not elect to participate in the above plan shall receive in lieu thereof \$1,000.00 per premium coverage year. The election may be made each coverage year during the enrollment period.

Employees covered by this contract may not, at the same time, be both a subscriber and dependent on any insurance set forth in this Article. These employees shall have the right to choose which employee shall be the subscriber.

B. Effective on the date of the Act 312 Award or as soon thereafter as may be implemented by the County, the County shall provide full-time employees covered under this agreement and their eligible dependents with Blue Cross/Blue Shield Community Blue PPO Option 3 with a drug co-pay of \$10 Generic, \$40 Brand Name and MOPD Rx2 or its equivalent. A full-time employee eligible for the above coverage who has similar coverage available through a spouse employed by an employer other than Losco County and who does not elect to participate in the above plan shall receive in lieu thereof \$1,000.00 per premium coverage year. The election may be made each coverage year during the enrollment period. Employees covered by this contract may not, at the same time, be both a subscriber and dependent on any insurance set forth in this Article. These employees shall have the right to choose which employee shall be the subscriber.

Accepted:

Dennis B. Dubray
Harmon Paul Schmidt

Rejected:

Patrick Spidell

County Issue #2 – Defined Contribution Plan

Revise Article XV Insurance and Other Benefits, Section 15.7 by adding the following new subsection C:

C. All employees hired after January 1, 2007 shall (in lieu of the retirement program set forth in Sections A and B above) be covered by a defined contribution plan under which the County will contribute seven (7%) percent of the employee's base salary.

Accepted:

Dennis B. Dubay
Garry Pouch, Chairman

Rejected:

Patrick Spidell

