MICHIGAN DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

MICHIGAN EMPLOYMENT RELATIONS COMMISSION

BUREAU OF EMPLOYMENT RELATIONS

PETITIONING PARTY:
POLICE OFFICERS LABOR COUNCIL
MACOMB COUNTY PROFESSIONAL DEPUTY
SHERIFF'S ASSOCIATION

and

RESPONDING PARTY:
MACOMB COUNTY

MERC CASE NO. 24-L-1986-CB

COMPULSORY ARBITRATION
Pursuant to Public Act 312 of 1969, as amended
[MCL 423.231*, et seq*]

Arbitration Panel:
Chair: Gregory M. Saltzman
Employer Delegate: Brandon Fournier
Union Delegate: Brendan Canfield

Advocates:
Employer Advocate: Brandon Fournier
Union Advocate: Brendan Canfield

PETITION FILED: January 8, 2025
PANEL CHAIR APPOINTED: January 29, 2025
SCHEDULING CONFERENCE HELD: February 7, 2025
HEARING DATE HELD: June 25, 2025
AWARD ISSUED: August 13, 2025

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WITNESS LIST

For the Union:
Christopher Conaway, Union president and bargaining unit member

For the Employer:
Karlyn Semlow, director of human resources and labor relations for the Employer

1. INTRODUCTION AND BACKGROUND

Macomb County (hereinafter the Employer) is in southeastern Michigan, northeast of Detroit. The Sheriff's Office of the Employer contracts with several units of government to provide police and law enforcement services. The non-supervisory corrections deputies in the Sheriff's Office are represented for purposes of collective bargaining by the Police Officers Labor Council, Macomb County Professional Deputy Sheriff's Association (hereinafter the Union). The collective bargaining agreement (CBA) between the Employer and the Union, which covers a bargaining unit of approximately 180 employees, expired on December 31, 2024. The full text of the expired CBA is provided in Joint Exhibit 1.

Negotiations for a new contract occurred. With the assistance of a MERC mediator, the Employer and the Union reached tentative agreement on most issues. Those tentative agreements will all be incorporated into the new CBA. But five issues remained in dispute at the time that the Union filed the petition for Act 312 arbitration. This arbitration award addresses those five issues.

The parties submitted their Last Best Offers (LBO's) concerning economic issues to the neutral chair of the arbitration panel on May 28, 2025.

During the arbitration hearing, the arbitration panel heard testimony. The parties offered multiple exhibits, listed in the hearing transcript, and these were accepted into evidence. At the hearing, both parties were afforded full opportunity to call, examine and cross-examine witnesses, introduce documentary evidence, and present arguments.

The Union submitted its post-hearing brief on July 31, 2025, and the Employer submitted its post-hearing brief on August 11, 2025. The neutral arbitration panel chair waited until he had both briefs on August 11 to read the Union brief so that he could read both briefs the same afternoon. Neither party has raised any objection to the fairness of this proceeding, and neither has contended that this matter was not properly before the arbitration panel. The arbitration panel has fully considered the evidence, arguments, and legal authorities presented by the parties, whether referenced or not, in rendering this Opinion and Award.

2. STATUTORY CRITERIA

Section 9 of Act 312 PA 1969, as most recently amended in 2014, MCL 423.239, contains the following factors to be considered by the arbitration panel: (1) If the parties have no collective bargaining agreement or the parties have an agreement and have begun negotiations or discussions looking to a new agreement or amendment of the existing agreement and wage rates

or other conditions of employment under the proposed new or amended agreement are in dispute, the arbitration panel shall base its findings, opinions and order upon the following factors:

(a) The financial ability of the unit of government to pay. All of the following shall apply to the arbitration panel's determination of the ability of the unit of government to pay:

(i) The financial impact on the community of any award made by the arbitration panel.
(ii) The interests and welfare of the public.
(iii) All liabilities, whether or not they appear on the balance sheet of the unit of government.
(iv) Any law of this state or any directive issued under the local government and school district fiscal accountability act, 2011 PA 4, MCL 141.1501 to 141.1531, that places limitations on a unit of government's expenditures or revenue collection.

(b) The lawful authority of the employer.

(c) Stipulations of the parties.

(d) Comparison of the wages, hours, and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours, and conditions of employment of other employees performing similar services and with other employees generally in both of the following:
(i) Public employment in comparable communities.
(ii) Private employment in comparable communities.

(e) Comparison of the wages, hours, and conditions of employment of other employees of the unit of government outside of the bargaining unit in question.

(f) The average consumer prices for goods and services, commonly known as the cost of living.

(g) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays, and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.

(h) Changes in any of the foregoing circumstances while the arbitration proceedings are pending.

(i) Other factors that are normally or traditionally taken in consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation,

fact-finding, arbitration, or otherwise between the parties, in the public service, or in private employment.

(j) If applicable, a written document with supplementary information relating to the financial position of the local unit of government that is filed with the arbitration panel by a financial review commission as authorized under the Michigan financial review commission act.

(2) The arbitration panel shall give the financial ability of the unit of government to pay the most significance, if the determination is supported by competent, material, and substantial evidence.

3. STIPULATIONS AND PRELIMINARY RULINGS

The parties stipulated the portions of this award dealing with wages, wage retroactivity, and pension. They agreed that all five issues before the arbitration panel were economic. The parties also agreed that the successor contract will be identical to the expired collective bargaining agreement between the parties except as modified by the tentative agreements of the parties and by this Act 312 Award.

There were no preliminary rulings.

4. COMPARABLES

The parties agreed that the following comparable employers, all counties in the State of Michigan, were to be used:

A. Oakland County
B. Wayne County
C. Washtenaw County
D. Kent County
E. Livingston County
F. St. Clair County
G. Genesee County

5. ISSUES BEFORE THE PANEL

a. Wages (economic issue)
The parties stipulated a 5% across-the-board wage increase for 2025; a 3% increase effective January 1, 2026; and a 3% increase effective January 1, 2027.

b. Wage Retroactivity (economic issue)
The parties stipulated that the 2025 wage increase is retroactive to January 1, 2025.

c. Pension (economic issue)
The parties stipulated that Article 24 Retirement Benefits of the CBA will be modified as shown in Appendix A, with deletions shown in ~~strikethrough~~ and additions shown in **boldfaced underlined text**.

d. Shift Differential (economic issue)

The Last Best Offer (LBO) of the Union: 3% for the afternoon shift and 6% for the midnight shift.

The LBO of the Employer: $0.50/hour for the afternoon shift and $1.00/hour for the midnight shift (no change from prior contract).

UNION POSITION ON SHIFT DIFFERENTIAL

The Union brief [page 10] describes the Employer as "flush with cash," noting that the County's unassigned fund balance increased from $57.1 million in 2019 to $116.9 million in 2023 and that the Employer maintained an AA+ bond rating with Standard and Poor's and an Aa1 bond rating with Moody's. At the hearing, Karlyn Semlow, director of human resources and labor relations for the Employer, acknowledged during cross-examination by the Union that the Employer had the ability to pay for the Union's shift differential proposal.

The Union further argued that internal comparables justify adoption of the Union's shift differential proposal. Union Exhibit 7(M) shows that two of the Employer's other bargaining units, Deputies and Dispatch, have consistently received a 3% afternoon shift differential and a 6% midnight shift differential since 1999. Two other bargaining units, Sergeant and Lieutenant, received absolute dollar amounts of shift differentials from 1999 through 2016 but switched to 3% and 6% shift differentials in 2017. Only the Corrections unit still has absolute dollar amounts for shift differentials. Furthermore, Union Exhibit 7(M) shows that the dollar amounts of shift differentials for Corrections have not changed since 1999. The Union argues that this situation is unfair and inequitable from the perspective of the Corrections bargaining unit.

Union Exhibit 7(N) shows that the shift differentials for the Corrections bargaining units were a similar percentage of pay in 1999 to the differentials received by the Dispatch unit but were only about half as large as Dispatch as a percentage of pay in 2022-2024. This is because pay for Corrections workers has grown over the quarter-century period, but the dollar amount of shift differentials has remained constant. Effectively, the Corrections shift differentials have been eroded by decades of inflation.

The Union brief [pages 14-15] notes that working the midnight shift has an adverse impact on employees' health, family lives, and social lives. Christopher Conaway, a corrections deputy and the Union President, testified at the hearing that working the midnight shift disturbs workers' sleep, and working the afternoon shift limits opportunities to interact with an employee's school-age children. Conaway noted that working the afternoon and midnight shifts not only hurts family life, but also has adverse health effects, including gaining weight and raising blood pressure.

The Union brief [pages 17-18] acknowledges that the Employer agreed to increase wages and restore a defined benefit pension plan. The Union attributes this Employer agreement not to a desire to treat Corrections officers fairly compared to other Sheriff's Office bargaining units but to the Employer's need to improve employee recruitment and retention.

In pages 21-26, the Union brief asserts that the Employer's exhibits about external comparables have errors and omissions that make them unreliable.

EMPLOYER POSITION ON SHIFT DIFFERENTIAL

The Employer brief [page 2] argues that the stipulated wage increases and the stipulated restoration of a defined benefit pension plan suffice to make the 2025 contract "a transformational collective bargaining agreement." On page 3, the Employer brief notes that restoring the defined benefit pension exposes the Employer to considerable risk because the Employer is financially responsible if the plan becomes underfunded. Because of these wage increases and the restoration of the defined benefit pension plan, the Employer believes that it has already given enough in this round of contract negotiations, even without any changes in the shift differential.

The Employer brief [page 5] counters the Union argument about internal comparables, noting that the Corrections bargaining unit received a wage increase in 2023 that was 4.28 percentage points larger than the Employer's other bargaining units (7.28% for Corrections, vs. 3% for the other bargaining units, as shown in Employer Exhibit B4).

On page 6, the Employer brief cites Union Exhibit 6J [likely intending 7J], which shows shift premiums for Macomb County and external comparables. This Union exhibit, the Employer brief notes, shows that Macomb Corrections employees currently receive larger shift differentials than most of the external comparables.

The Employer brief [page 11] cites Employer Exhibit B8, which shows that the shift differentials for Corrections have been 50¢ per hour for the afternoon shift and $1 per hour for the midnight shift since 1992.

On pages 12 and 13, the Employer brief argues that the overall compensation package for this bargaining unit is competitive, as reflected in the Employer's recent success in recruiting and retaining employees. Moreover, the Employer brief [page 14] notes that Macomb County employees are not required to contribute to health insurance premiums, unlike employees of Genesee, Kent, Livingston, Oakland, St. Clair, Washtenaw, and Wayne Counties. Employer witness Karlyn Semlow testified at the hearing that a noncontributory health plan is almost unheard of today and is an incredible recruitment tool for Macomb County. She also noted that the Union's top priority appeared to her to be restoring the defined benefit pension plan, and the Employer granted this demand. The Employer brief [page 14] stated that only 2 of the 7 comparables offer defined benefit pensions, as Macomb County recently agreed to do. In the Employer's view, it is the competitiveness of the overall compensation package that matters; and by that metric, the Employer is paying enough.

DISCUSSION OF SHIFT DIFFERENTIAL

The Employer did not rebut the Union testimony that working the afternoon or midnight shift has adverse effects on employees' health, family life, and social life.

Employer Exhibit B8 shows that the Corrections unit received a 3% shift differential for the afternoon shift and a 6% shift differential for the midnight shift in the 1986-1988 contract but that these shift differentials were changed to 50¢ afternoon and $1 midnight effective March 1, 1992. Since March 1, 1992, those absolute dollar amounts have remained frozen. Adjusting for inflation, the purchasing power of these absolute dollar amounts has been significantly eroded over the past 33 years.

Table A below shows shift differentials for the Macomb County Sheriff's Office bargaining units, including the Corrections unit, based on Union Exhibit 7M and Employer Exhibit B8.

Table A: Shift Premiums for Macomb County Sheriff's Office Bargaining Units

Bargaining unit	***1986-1991***	***March 1, 1992, to 1998***	***1999-2016***	***2017-2024***	***2025-2027***
Deputies	N.A.	N.A.	A – 3% M – 6%	A – 3% M – 6%	A – 3% M – 6%
Dispatch	N.A.	N.A.	A – 3% M – 6%	A – 3% M – 6%	A – 3% M – 6%
Sergeant	N.A.	N.A.	A – 83¢ M – $1.66	A – 3% M – 6%	A – 3% M – 6%
Lieutenant	N.A.	N.A.	A – 91¢ M – $1.82	A – 3% M – 6%	A – 3% M – 6%
Corrections	A – 3% M – 6%	A – 50¢ M – $1.00	A – 50¢ M – $1.00	A – 50¢ M – $1.00	
Corrections – Union LBO					A – 3% M – 6%
Corrections – Employer LBO					A – 50¢ M – $1.00

N.A. = data not available, A = afternoon shift, M = midnight shift

Table A shows that, since 2017, all four of the other bargaining units in the Macomb County Sheriff's Office (the internal comparables) have had shift differentials of 3% for the afternoon shift and 6% for the midnight shift. The Union LBO is to match the pattern bargained by these other four units. The Employer LBO is to maintain the *status quo* of deviating from the pattern set by the four internal comparables.

The Union attacked the credibility of the Employer exhibits about external comparables. But the Employer and the Union presented almost identical figures for shift differentials, the most relevant aspect of the external comparables. Employer Exhibit C15 and Union Exhibit 7J, which presented data on shift differentials provided by external comparables, gave the same numbers for six counties and differed only in their figures for Wayne County. Both Employer C15 and Union 7J show Wayne County offering a 50¢ shift premium for the midnight shift. But Union 7J shows Wayne County as offering a 35¢ per hour differential for Saturdays and a 40¢ per hour differential on Sundays, while Employer C15 does not address weekend premiums. This can be seen in Table B below, which combines the information from Employer Exhibit C15 and Union Exhibit 7J:

Table B: Shift Premiums for Macomb and External Comparables, 8-year Corrections Deputy

Employer	Afternoon Shift Premium	Shift Defined As	Midnight Shift Premium	Shift Defined As
Genesee County	$1.74	3 pm to 11 pm	$2.31	11 PM to 7 AM
Kent County	$0.00		$0.00	
Livingston County	No afternoon shift		$0.35	6 PM to 6 AM
Oakland County	$0.00		$0.00	
St. Clair County	No afternoon shift		$0.75	7 PM to 7 AM
Washtenaw County	No afternoon shift		$0.45	6 PM to 6 AM
Wayne County *(Employer Exhibit C15)*	No afternoon shift		$0.50	6 PM to 6 AM
Wayne County *(Union Exhibit 7J)*	No afternoon shift		$0.50 when 4 or more hours fall between 6 PM and 6 AM *(also $0.35 Saturdays and $0.40 Sundays)*	6 PM to 6 AM
Macomb: Union LBO	$1.03	3 pm to 11 pm	$2.05	11 pm to 7 am
Macomb: Employer LBO (*status quo*)	$0.50	3 pm to 11 pm	$1.00	11 pm to 7 am

Table B shows that:

- Genesee County pays substantially larger shift differentials than Macomb County. Genesee pays 6% for the afternoon shift. Macomb pays approximately 1.5% currently and would pay 3% under the Union LBO. Genesee pays 8% for the midnight shift. Macomb pays approximately 3% currently and would pay 6% under the Union LBO.
- Kent County and Oakland County, on the other hand, offer no shift differentials at all.
- Livingston, St. Clair, Washtenaw, and Wayne Counties have two 12-hour shifts rather than three 8-hour shifts. All of them pay smaller shift differentials for the night shift than

the current differential for Macomb's 11 PM to 7 AM midnight shift. And all of them pay much smaller shift differentials for the night shift than what the Union LBO has proposed for Macomb's 11 PM to 7 AM midnight shift.

- The 12-hour night shifts for Livingston, St. Clair, Washtenaw, and Wayne, which run from 6 PM to 6 AM in three cases and 7 PM to 7 AM in one case, partly overlap with Macomb's 3 PM to 11 PM afternoon shift. Livingston and Washtenaw pay smaller shift differentials for the night shift than the current differential for Macomb's 3 PM to 11 PM afternoon shift, while Wayne's differential is equal to that for Macomb, and St. Clair's is larger. But Livingston, St. Clair, Washtenaw, and Wayne all pay smaller differentials for their night shifts than what the Union LBO has proposed for Macomb's 3 PM to 11 PM afternoon shift.

To summarize, internal comparables (shift differentials for the other bargaining units in the Macomb County Sheriff's Office) strongly support the Union's LBO for shift differentials. In addition, the Employer presented no evidence that the adverse effects on employees' health or family life of working the afternoon or midnight shift are less today than they were in 1992, yet the shift differentials have much less purchasing power today than they had in 1992 because of 33 years of inflation.

On the other hand, external comparables generally support the Employer's LBO for shift differentials (the exception being Genesee County). The Employer has a good argument that the competitiveness of the overall compensation package matters more than whether individual elements of compensation match comparables, and the Employer's recent success in recruitment and retention suggests that the overall compensation package is competitive.

Although both parties presented good arguments, the Union argument for internal equity seems somewhat stronger. Addressing the bargaining unit's internal equity concern seems reasonable. Furthermore, cost of living is one of the statutory criteria that must be considered by Act 312 arbitration panels. Changing the shift differentials from flat dollar amounts to percentages of pay will ensure that shift differentials are never again eroded by inflation for 33 years in a row.

e. Shift Differential Retroactivity (economic issue)

The LBO of the Union: if the Union's LBO on shift differential is adopted, then it should be retroactive to January 1, 2025.

The LBO of the Employer: if the Union's LBO on shift differential is adopted, then it should NOT be retroactive but should take effect as of the date of this award.

DISCUSSION OF SHIFT DIFFERENTIAL RETROACTIVITY

Page 27 of the Union brief stated, "The Union asserts that a decision to forgo retroactivity would be a windfall to the County and would contravene basic fairness and equity." The Employer brief did not distinguish the rationale for denying retroactivity from the rationale for denying the Union's proposed change in the shift differentials.

If one believes (a) that addressing the Union's internal equity concern is important, and (b) that expressing shift differentials in percentage terms is a good idea, but (c) that the Employer has raised total compensation enough by agreeing to raise wages and restore the defined benefit pension plan, then one could rule that adoption of the percentage-based shift differentials should not be retroactive. Denying retroactivity would reduce the cost to the Employer in the first year of the agreement yet would address the Union's internal equity concern, though admittedly later than the Union would prefer.

On the other hand, if one believes that, even with the wage increases and the restoration of the defined benefit pension plan, the Employer is not offering enough total compensation, then the percentage shift differentials should be retroactive.

The Employer presented a good case that they are offering enough total compensation. If they can recruit and retain qualified employees, then their total compensation is competitive. Therefore, the cost to the Employer in the first year of the agreement should be reduced by not making the new shift differentials retroactive. Instead, the 3% shift differential for the afternoon shift and the 6% shift differential for the midnight shift should take effect with the date of this award.

6. SUMMARY OF AWARD

ISSUE	AWARD
Wages and Wage Retroactivity *(stipulated)*	Retroactive to January 1, 2025, there will be a 5% increase of wages across the board Effective January 1, 2026, there will be a 3% increase of wages across the board. Effective January 1, 2027, there will be a 3% increase of wages across the board.
Pension *(stipulated)*	Article 24 as attached.
Shift Differential	3% for the afternoon shift and 6% for the midnight shift.
Shift Differential Retroactivity	No retroactivity. The 3% and 6% shift differentials are to be implemented beginning with the date of this award.

Gregory M. Saltzman, Chair
Concurring with all parts of the award

Brendan Canfield, Union Delegate
Dissenting from part 5e of the award and concurring with the rest of the award

Brandon Fournier, Employer Delegate
Dissenting from part 5d of the award and concurring with the rest of the award