MICHIGAN DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

MICHIGAN EMPLOYMENT RELATIONS COMMISSION

BUREAU OF EMPLOYMENT RELATIONS

PETITIONING PARTY:
GENESEE COUNTY DEPUTY SHERIFFS ASSOCIATION /
POLICE OFFICERS ASSOCIATION OF MICHIGAN (POAM)

and

RESPONDING PARTY:
GENESEE COUNTY

MERC CASE NO. 24-G-1306-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: Josh Freeman
Union Delegate: James Tiganelli

Advocates:
Employer Advocate: Gordon J. Love
Union Advocate: Kevin Loftis

PETITION FILED: April 17, 2025
PANEL CHAIR APPOINTED: May 5, 2025
SCHEDULING CONFERENCE HELD: May 19, 2025
HEARING DATE HELD: August 26, 2025
AWARD ISSUED: October 29, 2025

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WITNESS LIST

For the Union:
Alan Brzys, POAM Research Analyst and Business Agent
Dustin Roy, bargaining unit member and paramedic
Robert Robbins, bargaining unit member (corrections deputy) and president of the local union

For the Employer:
Chrystal Simpson, Genesee County Finance Director
Anita Galajda, Genesee County Human Resources Director
Todd Witthuhn, Genesee County Human Resources Deputy Director

1. INTRODUCTION AND BACKGROUND

Genesee County (hereinafter the Employer) is in Mid-Michigan, northwest of Detroit. It includes the city of Flint. The Employer has thirteen bargaining units for purposes of collective bargaining. Some of these bargaining units, including the one to which this award applies, are in the Employer's Office of the Sheriff.

The Sheriff's Office provides police services and operates the Genesee County Jail. The Genesee County Deputy Sheriffs Association / Police Officers Association of Michigan (POAM) (hereinafter, the Union) represents for purposes of collective bargaining a bargaining unit of nonsupervisory road deputies (labeled "police deputies" in Employer exhibits) and corrections deputies working for the Employer. According to the Union's petition for Act 312 interest arbitration, there were 183 employees in that bargaining unit. Employer Exhibit 42 reported that the bargaining unit included 228 budgeted positions in 2025. (Possibly, vacant positions may explain part of the discrepancy between 183 and 228.) The collective bargaining agreement (CBA) between the Employer and the Union expired on December 31, 2024. The full text of the expired CBA is provided in Employer Exhibit 40.

Negotiations for a new contract occurred. With the assistance of a Michigan Employment Relations Commission (MERC) mediator, the Employer and the Union reached tentative agreement on most issues on February 25, 2025 (Employer Exhibit 25). 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 on April 17, 2025. This arbitration award addresses those five issues.

The Union and the Employer submitted their Last Best Offers (LBO's) concerning economic issues to the neutral chair of the arbitration panel on August 18 and August 19, 2025, respectively.

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 and the Employer submitted their post-hearing briefs on October 24, 2025.

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 did not stipulate any portions of this award. But they agreed that each year of wages is a separate issue for purposes of this final-offer-by-issue interest arbitration 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. Ingham County
B. Lapeer County
C. Livingston County
D. Macomb County
E. Saginaw County
F. Shiawassee County

5. ISSUES BEFORE THE PANEL

a. Wages for 2025 (economic issue)

The Last Best Offer (LBO) of the Union:
Increase the wages at each step of the 2024 wage scale by 15.0%.

The LBO of the Employer:
Adopt the wage scales for 2025 shown in Table 1 below:

Table 1: Employer LBO for 2025 wages

Job	***Annual/ Hourly***	***Start***	***After 1st year***	***After 2nd year***	***After 3rd year***	***After 4th year***	***After 5th year***
Police	Annual	50,211	51,936	55,246	59,558	63,999	68,581
Police	Hourly	24.14	24.97	26.56	28.63	30.77	32.97
Corrections	Annual	47,762	49,558	53,249	56,898	59,602	63,191
Corrections	Hourly	22.96	23.83	25.60	27.35	28.65	30.38

For police deputies, the Employer LBO provides a 1.00% increase for the starting and after 1 year of service steps of the 2025 wage scale, approximately a 3.02% increase after the 2nd year of service, approximately 5.03% after 3 years, approximately 7.06% after 4 years, and approximately 9.07% after 5 years. For corrections deputies, the Employer LBO provides approximately a 5% increase for each step of the 2024 wage scale.

DISCUSSION OF WAGES FOR 2025

The following five factors are especially relevant in this case in assessing the LBO's of the parties for 2025 wages:

1. Employer ability to pay
2. Wage rates of external comparables, adjusted for local cost of living
3. Internal comparables, especially Act 312 eligible: percent wage increase
4. Internal comparables: process of consistently using Evergreen wage study methodology
5. Fraction of bargaining unit in corrections

These five factors are discussed at length below.

1) Employer ability to pay

MCL 423.239 expressly states: "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."

The Union brief (pages 2) contends that the Employer is merely unwilling to pay rather than unable to pay. On page 3, the Union brief states that the Employer's 2024 Annual Comprehensive Financial Report (Employer Exhibit 36) shows that the Employer's fund balance in 2024 was "$120,462,503, an increase of $18,523,112 in comparison with the prior year."

The Employer presented testimony at the hearing addressing its ability to pay. Employer witness Chrystal Simpson testified that Genesee County (including the Office of the Sheriff and other departments) received $10 million in American Rescue Plan Act (ARPA) funds: $3 million per year for the 2022, 2023, and 2024 budget years and $1 million for the 2025 budget year. But ARPA funding will be exhausted at the end of the current budget year. She added that Michigan's Proposal A limits the Employer's ability to increase property tax revenues.

Ms. Simpson said that an unexpected large wage increase would have to be paid out of the Employer's UNASSIGNED fund balance, rather than assigned fund balances (for specific projects) or restricted fund balances (such as external grants received for specific uses). She testified that Genesee County's unassigned fund balance was $23.2 million as of September 30, 2024 (based on the most recent annual comprehensive financial report, generally known as the audit, Employer Exhibit 36). This unassigned fund balance was 16.9% of the Genesee County budget. She testified that the Genesee County board of commissioners require that the unassigned fund balance be at least 15% of the budget and that the county financial officers' association recommends that it be at least two months' spending (16.7% of the budget).

Ms. Simpson calculated that the Union's LBO of a 15% wage increase for 2025 would require taking $1.9 million from the County's unassigned fund balance, while the Employer's LBO would require taking $785,000 for 2025 (Employer Exhibit 42). Ms. Simpson testified that the additional $1.1 million for the Union's LBO was not financially sustainable for the Employer. Ms. Simpson stated that Genesee County could see layoffs or position cuts to cover the cost of adopting the Union's LBO.

The Employer relied on Employer Exhibit 42 to support the claim that the Union's LBO for 2025 would cost $1.1 million more than the Employer's LBO. The Union brief (page 4) protested the Employer's failure to provide the Union with a copy of Employer Exhibit 42 prior to the hearing. On page 8, the Union brief contended that the Employer had failed to provide evidence supporting the calculations in Employer Exhibit 42 comparing the costs of the Employer's LBO

and the Union's LBO and that the arbitration panel should not give credence to these calculations.

The Union is correct that the Employer ideally would have provided the Union with a copy of exhibit 42 in advance of the hearing. On the other hand, it is not an extreme deviation from standard practice in labor dispute resolution for one party to provide 41 exhibits in advance and to add a 42nd exhibit at the last minute. Possibly, the Union might have calculated a figure smaller than $1.1 million for the cost difference between the Union's LBO of a 15% raise for 2025 and the Employer's LBO of a 9% raise for senior road deputies, a 1% raise for starting road deputies, and a 5% raise for corrections deputies. Still, it is obvious that a 15% raise for approximately 200 employees costs a lot more than a 1% to 9% raise. Thus, the arbitration panel should not totally disregard Employer Exhibit 42.

The Employer's brief (page 17) expressly asserts that "Genesee County does not have the Ability to Pay the Union's Last Best Offer." This is a forceful and unequivocal statement. In contrast, the Employer's finance director, Ms. Simpson, made a more nuanced statement when she testified that Genesee County could see layoffs or position cuts to cover the cost of adopting the Union's LBO. But Ms. Simpson's testimony that the Employer's unassigned fund balance was only a little above the recommended level of two months' spending does suggest that the Employer is near the limit of its ability to pay.

The ability to pay factor favors the Employer's LBO for 2025 wages, but the evidence that the Employer is unable to pay for the Union's LBO is weak.

2) Wage rates of external comparables, adjusted for local cost of living

It is routine in Act 312 interest arbitration for the parties to compare the pay provided by the employer involved in the arbitration to the pay provided to similar employees by external comparables. The external comparables are other employers that are like the employer involved in the arbitration. In this case, the parties have mutually agreed on a list of external comparables that are other county governments in Michigan located near the Employer. Wage rates of external comparables are a proxy for market wage rates.

Union witness Al Brzys testified that wages for the Employer's road deputies were about $2,000 below the average for the external comparables in 2020 and about $10,000 below the average for the external comparables in 2024. He further testified that wages for the Employer's corrections deputies were about $800 below the average for the external comparables in 2020 and $3,500 below the average for the external comparables in 2024.

Union witness Robert Robbins presented additional insight into how Genesee County wages compared with market wages. He was asked how many deputies voluntarily left the Employer to go to other agencies, not counting retirements or dismissals. He testified that 54 road or corrections deputies had quit to take jobs elsewhere between January 1, 2022, and August 2025. He attributed these voluntary quits to low wages.

The Employer commissioned an outside consulting firm, Evergreen Solutions, to compare wages and benefits for all the County's bargaining units, including the bargaining unit covered by this award, to those in a list of external comparables (a list different from the mutually agreed list for this arbitration). Employer witness Anita Galajda testified that Genesee County provided job descriptions and pay information for its employees. Evergreen then surveyed the employers in the list of external comparables to obtain market wage data. Evergreen applied county cost-of-living adjustments to calculate what wages in Genesee County would have to be in 2025 to match the purchasing power of wages offered by the external comparables.

The Evergreen report (Employer Exhibit 28) recommended 2025 wages for each of Genesee County's bargaining units, based on what external comparables paid and the cost of living in each county. These Evergreen recommendations were what Genesee County offered to its bargaining units. Ms. Galajda testified that all of Genesee County's other bargaining units accepted the 2025 wage recommendations of the Evergreen study. Under cross-examination by the Union, she acknowledged that most of the other bargaining units were not Act 312-eligible. Therefore, their sole remedy if they were dissatisfied with the Employer's offer was non-binding fact finding.

Employer witness Todd Witthunn testified that the only employees of Genesee County not offered the 2025 wage recommended by the Evergreen study were the Meals on Wheels group. They received more than Evergreen recommended, a flat $15/hour, because the County wanted to bring all employees up to a $15/hour minimum.

The Evergreen study's use of local cost-of-living data to calculate the purchasing power of wages in different counties is a significant departure from usual practice in Act 312 interest arbitration in Michigan. Indeed, the Union brief (page 24) asserts that "Cost of Living for individual communities is not a metric that has been used in the past 20 years" in Act 312 arbitration proceedings. Nevertheless, MCL 423.239 expressly requires Act 312 arbitration panels to consider the "average consumer prices for goods and services, commonly known as the cost of living" when making awards. That past Act 312 awards have not considered ***local*** cost of living but only cost of living for large geographic areas does not preclude either party in this case from presenting data on local cost of living to support its LBO.

Should arbitration panels adjust for local cost of living when making wage comparisons? It depends on how large the differences are in local cost of living and whether accurate data on local cost of living are available. Adjusting for the local cost of living would be essential to make an accurate wage comparison between locations with drastically different costs of living. For example, an annual income of $70,000 has MUCH more purchasing power in a low-cost area such as Genesee County in Michigan than in a high-cost area such as New York City. Thus, $70,000 for a given job might represent the market wage for Genesee County but a substantially below-market wage for New York City.

Adjusting for the local cost of living makes less of a difference, but is still helpful, when comparing wages in areas with medium rather than large differences in the local cost of living. The Evergreen report lists a cost-of-living index of 98.9 for Livingston County, and an index of 88.3 for Genesee County (Employer Exhibit 28, page 7). These indices mean that Livingston County has a higher cost of living than does Genesee County. To give one specific example, to have the same purchasing power as a person living in Genesee County earning $88,300 per year, a person living in Livingston County would need to earn $98,900 per year. Though much smaller than the gap between Genesee County and New York City, the difference between Genesee County and Livingston County in the number of dollars needed to have the same level of purchasing power is still significant.

One must then consider whether accurate data on local cost of living are available. The Union brief (pages 23-24) states that "The County could have had a representative of the Evergreen Study appear at these hearings and explain how they arrived at the CPI numbers along with the wage proposals for the members of this bargaining unit. They simply chose not to." This is a point well taken, though even testimony by an Evergreen staffer would not have been fully satisfactory. Page 6 of the Evergreen report (Employer Exhibit 28) stated that "Evergreen utilizes cost-of-living index information from the Council for Community and Economic Research." Having a staff member from the Council for Community and Economic Research (rather than Evergreen) testify at the hearing for this case would have allowed the Union to cross-examine the witness and potentially identify inaccuracies in the local cost-of-living data.

Despite the absence of relevant testimony and cross-examination at the hearing, the arbitration panel has some basis for assessing the plausibility of the local cost-of-living figures that the Employer submitted in Employer Exhibit 28. Much of the difference in the local cost of living is due to differences in local housing prices, both because housing costs are a large portion of most people's annual budgets and because housing prices vary much more by location than do prices of easily transported goods such as automobiles. It is almost certainly true that housing is more expensive, on average, in Livingston County than in Genesee County. One might debate the exact magnitude of the cost-of-living difference between Livingston County (with an index in the Evergreen report of 98.9) and Genesee County (with an index of 88.3). Nevertheless, the

Council for Community Economic Research cost-of-living figures used by the Evergreen study seem directionally correct: Livingston County has a higher cost of living than Genesee County does because of higher housing costs. In short, the Employer's local cost-of-living data in Employer Exhibit 28 are plausible; and, in the absence of other local cost-of-living data shown to be more accurate, the arbitration panel will use them in its decision. But because there was no opportunity for the Union to cross-examine those who prepared the Employer's cost-of-living data, the evidence supporting these data is weak.

In addition to the use of local cost-of-living data, another important issue is which employers are included in the external comparables list. Adding a high-wage employer to the external comparables list raises the average wage for the external comparables, making it appear that the employees in an Act 312 interest arbitration case are underpaid. Adding a low-wage employer to the external comparables list lowers the average wage for the external comparables, making it appear that the employees in an Act 312 interest arbitration case are overpaid. The Evergreen study includes in the external comparables list all the employers in the list of comparables mutually agreed by the Employer and the Union in this case. But Evergreen also included some public and even private employers in the comparables list that were NOT in the list of comparables mutually agreed by the Employer and the Union in this case. The arbitration panel has no way of assessing the effect of including these additional employers on the average wage of the external comparables. ***This arbitration panel will consider ONLY the external comparables mutually agreed by the Union and the Employer.***

After the hearing, the parties attempted to reconcile differences in their exhibits reporting wages in 2024 and subsequent years for the mutually agreed external comparables. The briefs of the parties reported corrected wage data for these external comparables. The Union brief and the Employer brief presented identical or almost identical (differing by less than 0.01%) figures for the wages of the external comparables. The evidence supporting the wage data for the external comparables is thus very strong.

For external comparables, this arbitration panel will use:

(a) corrected wage data in both parties' briefs for the mutually agreed external comparables, adjusted for

(b) local cost-of-living data from Employer Exhibit 28, page 7.

This will allow the arbitration panel to compare the purchasing power of Genesee County deputies with that of deputies in the external comparison group of counties. Tables 2 and 3 below show the calculations.

Table 2 shows data for 2024 and 2025 annual wages for road deputies in Genesee County and the mutually agreed comparables. Table 3 shows corresponding data for corrections deputies. The two columns on the right divide the wages for each county by the local cost-of-living index to show the purchasing power of wages in each county. The key figures are the bottom three numbers in the two columns on the right. These show the purchasing power of Genesee wages as a percentage of the external comparable average in 2024 (actual) and in 2025 (under the Employer LBO or the Union LBO).

Table 2:
Road Deputies - Annual Wages at Top Step for Genesee County and External Comparables: 2024 Actual, and 2025 Actual for Comparable Counties and Proposed in LBO's for Genesee

	Wages NOT adjusted for cost of living*			***Wages adjusted for cost of living (purchasing power of wages)***	
Comparable Counties	***2024***	***2025***	***Cost-of-living divisor*****	***2024***	***2025***
Ingham	$69,524	$73,043	0.907	$76,653	$80,533
Lapeer	$75,275	$76,794	0.917	$82,088	$83,745
Livingston	$74,309	$76,538	0.989	$75,135	$77,389
Macomb	$83,900	$88,095	0.962	$87,214	$91,575
Saginaw	$68,042	N.A.	0.881	$77,233	N.A.
Shiawassee	$66,042	$69,344	0.907	$72,814	$76,454
Comparable average†	***$72,849***	***$76,763***	***0.927***	***$78,523***	***$81,939***
Genesee			0.883		
-Actual	$62,872			$71,203	
-Employer LBO***		$68,581			$77,668
-Union LBO		$72,303			$81,883
Genesee as % of average					
-Actual	86.30%			90.68%	
-Employer LBO***		89.34%			94.79%
-Union LBO		94.19%			99.93%

Table 3:
Corrections Deputies - Annual Wages at Top Step for Genesee County and External Comparables: 2024 Actual, and 2025 Actual for Comparable Counties and Proposed in LBO's for Genesee

	Wages NOT adjusted for cost of living*			***Wages adjusted for cost of living (purchasing power of wages)***	
Comparable Counties	***2024***	***2025***	***Cost-of-living divisor*****	***2024***	***2025***
Ingham	$67,161	$70,559	0.907	$74,047	$77,794
Lapeer	$66,082	$68,724	0.917	$72,063	$74,944
Livingston	$68,215	$70,261	0.989	$68,974	$71,042
Macomb	$67,790	$71,180	0.962	$70,468	$73,991
Saginaw	$60,778	$65,241	0.881	$68,988	$74,053
Shiawassee	$51,962	$54,560	0.907	$57,290	$60,154
Comparable average	***$63,665***	***$66,754***	***0.927***	***$68,638***	***$71,997***
Genesee			0.883		
-Actual	$60,182			$68,156	
-Employer LBO***		$63,191			$71,564
-Union LBO		$69,209			$78,380
Genesee as % of average					
-Actual	94.53%			99.30%	
-Employer LBO***		94.66%			99.40%
-Union LBO		103.68%			108.87%

NOTES TO TABLES 2 AND 3

**Wages not adjusted for cost of living in Table 2 from "Reconciliation of Genesee Co Road Deputy Wages at Top Step," Union Brief. Wages not adjusted for cost of living in Table 3 from "Reconciliation of Genesee Co Corrections Wages Wages at Top Step," Union Brief.*

***Cost-of-living divisor is 1/100 times figure from Employer Exhibit 28 (Evergreen Solutions Report, Exhibit 3A), page 7. A divisor of 0.999 means that a county has a cost of living equal to that of Washtenaw County. A divisor greater than 0.999 (such as the 1.066 for Oakland County) means that a county has a cost of living higher than that of Washtenaw County. A divisor of less than 0.999 (such as the 0.883 for Genesee County) means that a county has a cost of living less than that of Washtenaw County. A salary of, say, $70,000 has greater purchasing power in a county with a low cost of living than in a county with a high cost of living.*

****Considering both the issue of 2025 wages and the issue of contract duration, Employer LBO figure for 2025 is for period beginning with the date of the arbitration award, rather than the period beginning January 1, 2025.*

†Table 2 comparable average for 2025 excludes Saginaw County, for which no 2025 data were available at the time of the arbitration hearing. If Saginaw wages for road deputies remain below average once their contract for 2025 is settled, inclusion of the 2025 Saginaw figure in the average will reduce the average of the external comparables. But the average will fall less for the purchasing power of wages (because Saginaw has a below average cost of living) than it does for unadjusted wages.

What are the implications of Tables 2 and 3? The bottom three numbers in the right two columns of each table show, in purchasing power terms, Genesee County wages as a percentage of the average of wages in the external comparables. A figure below 100% means that Genesee County employees are paid less, in purchasing power terms, than the average of wages in the external comparables. A figure above 100% means that Genesee County employees are paid more, in purchasing power terms, than the average of wages in the external comparables.

Table 2 shows that ***Genesee County road deputies were underpaid in 2024.*** Specifically, the purchasing power of Genesee County road deputy wages in 2024 was only 90.68% of the average purchasing power of wages in the external comparables.

Table 2 has incomplete data for 2025 external comparable wages for road deputies because the Saginaw labor agreement for 2025 had not yet been ratified at the time of the hearing in this arbitration case. Using the 2025 average of the comparables EXCLUDING Saginaw, the Employer's LBO would provide Genesee road deputies with 94.79% of the purchasing power of the external comparables, while the Union's LBO would provide Genesee road deputies with 99.93%.

One can make the 2025 road deputy calculations more accurate by estimating what Saginaw wages will be in 2025. If Saginaw road deputies receive a 3% increase for 2025 (a plausible estimate), then the top step wage NOT adjusted for inflation would be $70,083 (= $68,042 × 1.03) in 2025, and the purchasing power for Saginaw's top step would be $79,550 (= $70,083 / 0.881). This would reduce the 2025 average of purchasing power for the external comparables from $81,939 to $81,541. Using the estimate of a 3% wage increase for Saginaw in 2025, the Employer's LBO would provide Genesee road deputies with 95.25% of the purchasing power of the external comparables, while the Union's LBO would provide Genesee road deputies with 100.42%.[1]

Using either the incomplete 2025 data without Saginaw or the estimate based on an assumed 3% wage increase for Saginaw for 2025, ***the Union's LBO for 2025 for road deputies almost exactly matches the average of the external comparables, while the Employer's LBO for 2025 is about 5% below the average of the external comparables.***

The story is different, however, for corrections deputies. Table 3 shows that ***Genesee County corrections deputies were paid a competitive market wage in 2024.*** Specifically, the purchasing power of Genesee County corrections deputy wages in 2024 was 99.30% of the average purchasing power of wages in the external comparables.

Using the 2025 average of the comparables, the Employer's LBO for corrections deputies would provide Genesee road deputies with 99.40% of the purchasing power of the external comparables in 2025, while the Union's LBO would provide Genesee road deputies with 108.87%. ***The Employer's LBO for 2025 for corrections deputies almost exactly matches the average of the***

[1] One can do a sensitivity analysis of the assumption that Saginaw road deputies will receive 3% in 2025. If Saginaw road deputies receive a 0% wage increase in 2025 (implausibly low, but the best case for the Employer LBO), then the top step wage NOT adjusted for inflation would be $68,042 (= $68,042 × 1.00) in 2025, and the purchasing power for Saginaw's top step would be $77,233 (= $68,042 / 0.881). This would reduce the 2025 average of purchasing power for the external comparables from $81,939 to $81,155. The purchasing power of Genesee road deputy wages in 2025 would then be 95.70% of the average of external comparables with the Employer LBO and 100.90% with the Union LBO. Even in this implausible case, the Union LBO is closer than the Employer LBO to the average of the comparables.

external comparables, while the Union's LBO for 2025 is about 9% above the average of the external comparables.

If the parties had made wages for road deputies and wages for corrections deputies separate issues, then the data for external comparables would lead the arbitration panel to choose the Union's 2025 LBO for road deputies and the Employer's 2025 LBO for corrections deputies. But 2025 wages for both groups are included as a single issue, so that these choices are not possible under the Act 312 final-offer-by-issue rule. Based on external comparables, the arbitration panel either can choose the Union's LBO for 2025 (paying road deputies their market wage and paying corrections deputies ***MORE*** than their market wage) or choose the Employer's LBO for 2025 (paying road deputies ***LESS*** than their market wage and paying corrections deputies their market wage). Neither choice is fully satisfactory.

3) Internal comparables, especially Act 312 eligible: percent wage increase

Employees often compare their wages to those of others working for the same employer, especially others working similar jobs. Providing unequal percentage pay increases to employees with similar jobs is often seen as unfair by the employees receiving the smaller increases.

Union witness Brzys compared the wage increases for this bargaining unit to the wage increases for internal comparables: the Employer's other Act 312-eligible bargaining units (Sheriff's Office sergeants, lieutenants, and captains). He testified that, in 2024, each of the Employer's Act 312-eligible bargaining units received a 2% wage increase. He testified that, for 2025, the Employer agreed to give the sergeants a 26.3% wage increase, the lieutenants a 32.7% wage increase, and the captains a 32.0% increase—substantially more than the 9% the Employer offered to road deputies with at least 5 years of service and the 5% the Employer offered to corrections deputies (Union Exhibit 8).

The Employer brief (page 12) counters that, in 2022, road deputies received 5% pay increases and corrections deputies received 9%. In contrast, sergeants, lieutenants, and captains received only about 2% in 2022, while ten of the Employer's bargaining units had pay freezes (Employer Exhibit 27).[2]

Notwithstanding the argument in the Employer brief, the gap between 2025 wage increases for command officers and the Employer's proposed 2025 wage increases for road deputies and corrections deputies is much larger than the gap in 2022 between what deputies received and

[2] The one bargaining unit receiving a larger percentage pay increase than the POAM unit in 2022 consisted of low-paid Meals on Wheels drivers, who received an increase from $10.50/hour to $12.00/hour in 2022 (Employer Exhibit 27). This was approximately a 14.3% wage increase

other bargaining units received. The evidence is conclusive that the Employer provided very large percentage wage increases in 2025 to command officers. These internal comparables support the Union's LBO.

4) Internal comparables: process of consistently using Evergreen wage study methodology

While the Union's argument about internal comparability for 2025 focuses on the very large percentage increases received by sergeants, lieutenants, and captains, the Employer's argument about internal comparability for 2025 focuses on process. Except for Meals on Wheels drivers (who received a large percentage increase to bring their wage up to $15/hour, which may have been seen as a floor for a living wage), the Employer offered all of the bargaining units—including the one involved in this arbitration case—the 2025 pay increase recommended by the Evergreen study. The Employer argument seems to be that Evergreen did a skilled professional job in measuring current market wage rates, and the Evergreen recommendations should be consistently adopted for all the Employer's bargaining units.

As the Union cross-examination revealed, however, the only other Act 312-eligible bargaining units covered by the Evergreen study were the command officers in the Sheriff's office. The command officers had no incentive to reject the Evergreen recommendation and try their luck in interest arbitration because Evergreen recommended very large percentage pay increases for them. Since the Employer's other bargaining units are not Act 312-eligible, they did not have compulsory arbitration available, even if they were dissatisfied with the Evergreen recommendations.

The crucial weakness in the Employer's internal comparable argument is that the Evergreen study was a unilateral employer initiative. Had the Employer and the unions representing its employees jointly commissioned the Evergreen study, then there would be great merit to the Employer's claim that internal equity requires following the same process of adopting the Evergreen study recommendations for all bargaining units without exception. As a unilateral Employer initiative, the Evergreen study is entitled to serious consideration, but it is not a sacred text handed down on Mount Sinai. Although the evidence is strong that the Evergreen recommendations were consistently applied to the Employer's other bargaining units, the arbitration panel deems it of low importance to adopt a wage study that deviated from the mutually agreed external comparables for this arbitration.

5) Fraction of bargaining unit in corrections

As noted earlier, data for external comparables support the Employer's LBO for corrections deputies but the Union's LBO for road deputies. Therefore, the arbitration panel should

consider the fraction of the bargaining unit who are corrections deputies rather than road deputies. The Employer's brief (page 7) stated, "According to Employer Exhibit 42 in 2025 there are 103 budgeted positions for police deputies versus 125 corrections deputies." Also on page 7, the Employer's brief stated, "the corrections deputies, which make up over half of the bargaining unit, only sit around 5% below average" of external comparables.

The Employer's finance director (who prepared Employer Exhibit 42) is very likely to have access to accurate information about the number of corrections deputies and the number of road deputies that have been budgeted, so the evidence is strong that corrections deputies make up a majority of the bargaining unit. And this factor favors the Employer's LBO. But since 125 is less than 55% of the 228 (= 103 + 125) total budgeted deputies, the importance of this factor is low.

Summary regarding 2025 wages

Table 4 below summarizes the factors used to assess the LBO's for 2025 wages, the importance of each factor, which LBO each factor favors, and the strength of the evidence for each factor.

Table 4: Factors in assessing Employer and Union LBO's for 2025 Wages

Factor	***Importance of factor***	***LBO Favored***	***Strength of evidence***
Employer ability to pay	High	Employer	Weak
Wage rates of external comparables, adjusted for local cost of living	Medium	Employer for corrections, Union for road deputies	Strong for wages Weak for local cost of living
Internal comparables, especially Act 312 eligible: Percent wage increase	Medium	Union	Strong
Internal comparables: Process of consistently using Evergreen wage study methodology	Low	Employer	Strong
Fraction of bargaining unit in corrections	Low	Employer	Strong

The Employer and the Union have each presented strong arguments in support of their respective LBO's for 2025 wages. Still, given the high importance assigned by MCL 423.239 to employer ability to pay, the evidence about nearing the limit of the Employer's ability to pay tips the balance in favor of the Employer's LBO for 2025 wages.

b. Wages for 2026 (economic issue)

The LBO of the Union:
Increase the wages at each step of the 2025 wage scale by 4.0%.

The LBO of the Employer:
Increase the wages at each step of the 2025 wage scale by 3.0%.

DISCUSSION OF WAGES FOR 2026

The Employer's argument concerning wage increases for 2026 and 2027 emphasizes internal comparables. The Employer brief (page 15) states that the other bargaining units, except for the Meals on Wheels drivers, received the wages recommended by Evergreen for 2025 plus an additional 5% spread over the three-year contract. The Employer's LBO of 3% in 2026 and 2% in 2027 is consistent with this pattern. So, the Employer defines internal comparability for 2025 in terms of a process (follow the recommendations of the Evergreen study), while downplaying the much larger percentage increases in 2025 for sergeants, lieutenants, and captains; but the Employer defines internal comparability for 2026 and 2027 in terms of giving the same percentage increase to all bargaining units.

The Union's argument concerning wage increases for 2026 and 2027 emphasizes external comparables. Admittedly, 2026 and 2027 wage data are incomplete because some of the CBA's for external comparables have already expired or will expire in 2026 or 2027. The Union brief (page 21) points to the average percentage wage increase in 2026 for the external comparables with contracts extending that far. On pages 21 and 22, the Union brief points to the wage level (rather than the percentage increase) of external comparables, arguing that Genesee road deputies would be below the average wage level for external comparables even if the Union LBO were adopted, while corrections deputies would be at the average.

Both the Union and the Employer provided in their briefs revised versions of Union Exhibits 29 and 30, showing 2024 to 2027 wages for the external comparables for road deputies and corrections deputies, respectively. The figures the parties gave were identical for the percentage wage increases offered for 2026 and 2027 by the external comparables. Table 4 shows the percentage increases offered for 2026 and 2027 by the external comparables.

Table 4: Percent Wage Increases in External Comparables, 2026 and 2027

	% wage increase in 2026		*% wage increase in 2027*	
Comparable county	***Road***	***Corrections***	***Road***	***Corrections***
Ingham	3%	3%	4%	4%
Lapeer	N. A.	4%	N. A.	N.A.
Livingston	N. A.	N.A.	N. A.	N.A.
Macomb	3%	3%	3%	3%
Saginaw	N. A.	3%	N. A.	3%
Shiawassee	5%	5%	5%	N.A.
Comparable average	***3.67%***	***3.60%***	***4.00%***	***3.33%***

The Union's 2026 LBO of 4% is somewhat closer to the average of the external comparables for 2026 than is the Employer's 2026 LBO of 3%. Therefore, the Union's 2026 LBO is adopted.

c. Wages for 2027 (economic issue)

The LBO of the Union:
Increase the wages at each step of the 2026 wage scale by 4.0%.

The LBO of the Employer:
Increase the wages at each step of the 2026 wage scale by 2.0%.

DISCUSSION OF WAGES FOR 2027

The analysis of 2027 wages is very similar to that for 2026 wages. As Table 4 shows, the average percentage wage increase in 2027 for external comparables that have a CBA extending to that year is 4.00% for road deputies and 3.33% for corrections deputies. The Union's 2027 LBO of 4% is closer to the average of the external comparables for 2027 than is the Employer's 2027 LBO of 2%. Therefore, the Union's 2027 LBO is adopted.

d. Duration / Wage Retroactivity (economic issue)

The LBO of the Union:
The increase in wages in 2025 is retroactive to January 1, 2025.

The LBO of the Employer:
The increase in wages in 2025 and all tentative agreements become effective upon the date of Act 312 award.

DISCUSSION OF DURATION

Neither party addressed at the hearing the matter of whether tentative agreements become effective on January 1, 2025, or upon the date of the Act 312 award, nor did they address the matter of whether unchanged provisions of the expired CBA would be in effect between January 1, 2025, and the date of the Act 312 award. Instead, the focus at the hearing seemed to be on whether the increase in wages in 2025 should be retroactive to January 1, 2025. Nevertheless, the Union brief (page 10) correctly noted that "The Employer's position [on duration] would result in the members being without a valid CBA until a successor agreement is determined on the date of the Act 312 Award." The stakes in this issue are thus much higher than retroactivity of 2025 wage increases alone.

Employer witness Todd Witthuhn testified that Genesee County did not grant 2025 wage retroactivity to any of its bargaining units.

It should be noted, however, that the other bargaining units all settled substantially earlier in 2025 than the date of this arbitration award, so that retroactivity was less of an issue for them than it is for this bargaining unit. This panel deems actual dollars in the paycheck a more important aspect of internal comparability than is consistently applying the Employer's desired policy of not granting retroactivity to any bargaining unit. Delaying the 2025 wage increases until the date of this arbitration award would mean that members of this bargaining unit would receive fewer actual dollars in their paychecks in 2025 than the internal comparables.

Granting wage retroactivity to January 1, 2025, obviously would cost the Employer more in 2025 than would making the 2025 wage increase effective upon the date of this award. But the Employer did not present any evidence that it lacked the ability to pay for its 2025 wage LBO if that were implemented retroactively to January 1, 2025. Finally, leaving the bargaining unit without a valid CBA for most of 2025 seems unreasonable. Therefore, the case for making duration retroactive to January 1, 2025, is compelling.

e. Specialty Pay for Paramedics (economic issue)

Provisions in the expired contract:
"Employees who are state-licensed Paramedics and classified as Police Deputy (Paramedic assignment) shall receive an allowance of $1,500 the last pay in July and the last pay in January, pro-rated on a monthly basis for each full month in the Paramedic assignment with Paramedic state licenser. . . The $1,800/yr. increase effective March 2, 2022 is contingent upon continued availability of funding from the "medic millage" and this increase in the annual allowance will end if the balance in the millage fund drops below $400,000.00"

The LBO of the Union:
Raise the biannual payments for the paramedic assignment from $1,500 to $3,000 in 2025, $3,500 in 2026, and $4,000 in 2027; and eliminate the contingency concerning the "medic millage" fund balance. The 2025 allowance will be effective the date of the Act 312 award.

The LBO of the Employer:
Raise the biannual payments for the paramedic assignment $1,500 to $2,000. Keep the contingency concerning the "medic millage" fund balance by adopting this language: "If the Emergency Medical Services millage fund balance drops below $400,000.00, the stipend shall revert back to $1,200.00."

DISCUSSION OF SPECIALTY PAY FOR PARAMEDICS

Union witness Dustin Roy testified that paramedic deputies provide basic life support alone if they arrive before the ambulance. He noted that paramedic deputies must be concerned about their own safety (risk of assault or biohazard exposure to blood or other bodily fluids) in addition to taking care of civilians. He testified that there are a few deputies in the jail who are licensed paramedics but chose not to be assigned to the paramedic division. He was not aware of any other sheriff's department in Michigan with a sheriff's deputy paramedic program as extensive as that provided by the Employer.

Employer witness Witthuhn acknowledged under Union cross examination that a year and a half ago, when he left his job as a paramedic lieutenant in the Sheriff's Office for his current job in the County Human Resources office, there were road deputies who were certified as paramedics who had opted out of the paramedic division.

The decision by some road deputies who were certified as paramedics to opt out of the paramedic division suggests that the paramedic stipend is too low to recruit and retain qualified paramedics. On the other hand, the Employer LBO does propose raising the paramedic stipend by 33%, from $1,500 biannually to $2,000 biannually. It's an empirical question whether this

increase is enough to get more road deputies to accept the paramedic assignment. Three years of a $2,000 biannual stipend will provide relevant evidence.

The Union brief (page 27) noted that the Emergency Medical Services millage fund balance as of September 30, 2024, was $3,776,452 (Employer Exhibit 36, page 13). The Union brief asserts (pages 27-28) that "with the large revenue generated and the net fund position . . . the County can surely afford to increase the stipend for this . . . program . . . and still have a net position of over $3,000,000." If one accepts this argument, then the Employer's proposed language about a $400,000 fund balance is unnecessary. On the other hand, if one accepts this argument, then the Employer's proposed language about a $400,000 fund balance should not worry the bargaining unit members. This is especially true if stipends are raised only to $2,000 (as the Employer has proposed) rather than to $3,000, $3,500, and $4,000 (as the Union has proposed). Therefore, the arbitration panel can choose between the paramedic LBO's based on the size of the stipends rather than on the presence or absence of the $400,000 fund balance contingency.

The Employer brief makes an internal comparable case for making the stipends $2,000 biannually ($4,000 per year). Employer witness Witthuhn testified that both the sergeants' bargaining unit and the lieutenants' and captains' bargaining unit agreed to a $2,000 biannual stipend beginning in 2025. Mr. Witthuhn "testified that the stipend has always been a consistent amount across all three bargaining units" (Employer brief, page 26).

Because other sheriff's departments in Michigan do not have road deputy paramedic programs like that in Genesee County, external comparables are much less important for this issue than are internal comparables. Based on internal comparables, the smaller increase in the biannual paramedic stipend in the Employer LBO seems appropriate, and the $400,000 fund balance contingency for cutting the stipend to $1,200 seems inoffensive.

6. SUMMARY OF AWARD

<table>
<tr><th>ISSUE</th><th>AWARD</th></tr>
<tr><td>a. Wages for 2025</td><td>Employer LBO:
<table>
<tr><th>Job</th><th>Annual/ Hourly</th><th>Start</th><th>After 1st year</th><th>After 2nd year</th><th>After 3rd year</th><th>After 4th year</th><th>After 5th year</th></tr>
<tr><td>Police</td><td>Annual</td><td>50,211</td><td>51,936</td><td>55,246</td><td>59,558</td><td>63,999</td><td>68,581</td></tr>
<tr><td>Police</td><td>Hourly</td><td>24.14</td><td>24.97</td><td>26.56</td><td>28.63</td><td>30.77</td><td>32.97</td></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Corrections</td><td>Annual</td><td>47,762</td><td>49,558</td><td>53,249</td><td>56,898</td><td>59,602</td><td>63,191</td></tr>
<tr><td>Corrections</td><td>Hourly</td><td>22.96</td><td>23.83</td><td>25.60</td><td>27.35</td><td>28.65</td><td>30.38</td></tr>
</table></td></tr>
<tr><td>b. Wages for 2026</td><td>Union LBO: 4% wage increase</td></tr>
<tr><td>c. Wages for 2027</td><td>Union LBO: 4% wage increase</td></tr>
<tr><td>d. Duration</td><td>Union LBO: 2025 wage increase retroactive to January 1, 2025</td></tr>
<tr><td>e. Specialty Pay for Paramedics</td><td>Employer LBO:
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</table>

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

Josh Freeman, Employer Delegate
Concurring with parts 5a and 5e of the award and dissenting from the rest of the award

James Tignanelli, Union Delegate
Concurring with parts 5b, 5c, and 5d of the award and dissenting from the rest of the award