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STATE OF MICHIGAN  
DEPARTMENT OF LABOR  
EMPLOYMENT RELATIONS COMMISSION

In the Matter of the Fact Finding Concerning  
BUCKLEY COMMUNITY SCHOOL BOARD OF EDUCATION  
and  
BUCKLEY EDUCATION ASSOCIATION, NMEA/MEA/NEA

MERC Fact Finding Case No. G84 H-1034  
Kathleen Oppewall, Fact Finder

STATE OF MICHIGAN  
DEPARTMENT OF LABOR  
EMPLOYMENT RELATIONS COMMISSION

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FACT FINDING REPORT

A fact finding hearing was held before the above fact finder on January 31, 1985 at the Buckley Community School, 305 South First Street, Buckley, Michigan. The following persons appeared on behalf of the parties:

Lyle Painter	15-A UniServ Director - MEA
David Haughn	Buckley EA President
Graydon Blank	Buckley Superintendent of Schools
Jay Thiebaut	CPA, Buckley School
David Chryst	Pres., Buckley School Board

The hearing was also attended by most, if not all, of the teachers employed by the Buckley Community School.

The Petition for Fact Finding, filed by the Buckley Education Association on September 28, 1984, requested fact finding on two issues: (1) salaries, and (2) a change in Article XI of the parties' Agreement concerning leaves of absence. The Petition also indicated that the parties had

Buckley Community School

met with a MERC mediator on three dates in August and September of 1984. Except for the two issues listed above, the parties were able to agree on provisions for a new 3-year contract. The parties' previous Master Agreement covered three school years and had an expiration date of August 31, 1984.

#### FINAL OFFERS

(1) Salary Issue.

The Board's final offer was for a zero percent increase for 1984-85, except for a longevity offer of \$300 for the 10th through 15th credited year of experience plus an additional \$350 for the 16th through 20th year of credited experience. For 1985-86 the Board offered a 2% increase plus an additional 3% if the State Equalized Value (SEV) of the school district increased by at least 3%. For 1986-87 the Board offered a 3% increase plus an additional 4% increase if the SEV increased by at least 3% more.

The Association's final offer was for a 2% increase in 1984-85 with the addition of an 11th step on the salary schedule, a 6% increase in 1985-86 with the addition of the Board's longevity proposal, and a 6% increase for 1986-87 with the addition of a 12th step on the salary schedule.

(2) Leave of Absence Issue.

The Association proposed adding a provision to Article XI which deals with unpaid leaves, to provide that:

"A leave of absence of up to one (1) year may be granted to a teacher for the purpose of exploring other career and/or job opportunities."

The Board opposed adding this provision to the parties' Agreement, which currently provides for leaves for exchange teaching programs, programs related to professional responsibilities, further education, and infant child care.

OVERVIEW

The Buckley Community School district is located in northern Michigan about 20 miles south of Traverse City. The school district enrolls approximately 310 students who come from the village of Buckley and the surrounding townships in Grand Traverse and Wexford counties. All students in grades K-12 are taught at the same location in Buckley, either in the main building or in one of the five one-room classrooms. For the last several years, enrollment has been increasing and the kindergarten class for the last four years has been 30 or more students. Enrollment is expected to be fairly stable over the next several years.

FINDINGS ON SALARY ISSUE

For the 1984-85 school year, the Buckley Community

School is employing 13 full-time teachers and three half-time teachers, for a full-time equivalent of 14½. Seven of these teachers are at the 10th and top step of the salary scale, having ten or more years of teaching experience. Two of the teachers are at the 9th step, and the remaining 5½ teachers are fairly evenly spaced on the lower steps. Two of the teachers have Masters degrees (one of these is M.A. plus 15), five of the teachers have a B.A. plus 18, and the remaining teachers are at the B.A. level on the salary schedule.

The exhibits submitted by the parties show that Buckley is near the top of school districts in its area for beginning salaries at step 1 of the B.A. salary schedule. For the last year of the previous Master Agreement, 1983-84, the Buckley Community School district paid \$15,251 in salary for a B.A. at step 1. The NMEA average in regions 14 and 15, according to Association Exhibit 7, was \$14,436. For the B.A. max, Buckley was slightly below average at \$22,302 versus an NMEA average of \$22,334. For the M.A. minimum, Buckley was again above average, starting at \$16,106 versus an NMEA average of \$15,584. For the M.A. max, Buckley was below average at \$22,732 versus an average of \$24,159.

For the 1983-84 school year, the salaries at the Buckley Community School improved considerably vis-a-vis

neighboring schools, because the Buckley teachers received a 9% increase versus averages in the area of about 4% or 5%. The parties indicated that the Buckley teachers had received a 9% increase for each of the three years in the previous Master Agreement.

The property tax information submitted by the parties shows that the SEV of the school district had increased substantially in the early 1980's. The SEV for the 1982-83 school year had been \$25,458,692, which was a 35% increase over three years earlier when it had been \$18,788,055. Over the last two years, however, the SEV has only increased a total of 2.3%, from \$25,458,692 for 1982-83 to \$26,057,556 for 1984-85. The parties indicated at the hearing that the increase in the early 1980's was due to oil and gas exploration, and that no sizeable increase in SEV is expected during the next few years.

The Board's exhibits showed that for 1984-85 Buckley had an SEV per pupil of \$83,251. This is one of the lowest SEV per pupil figures in the Traverse Bay Area Intermediate District. The Board's exhibits also showed that Buckley levied the second highest operating millage in the area at 26.5 mills. The Board explained that the school district did not have any debt retirement millage, although if the voters would agree to build a new school building, it would require about 7 mills for bonded indebtedness.

As of 1976 the school district received some 36% of its income from the State of Michigan and 8% from federal sources, leaving only 55.5% to local property taxes. For the 1984-85 school year the district budget shows that it expects to receive only about \$30,000 from state and federal sources combined, out of a total budget of \$767,540. This means that over 96% of the budget is now being borne by the local property taxes. It was explained at the hearing that of all the school districts in the area which are out of formula and therefore do not receive state aid, Buckley has the lowest SEV per pupil.

For the 1984-85 school year the Buckley voters approved a 2.5 mill increase in operating millage, bringing the total to 26.5 mills. The Board explained that when the voters approved this extra 2.5 mills, there had been a commitment to add teachers, to add computers, and to upgrade the busses. Two teachers had been added and the school district had taken bids on a new bus.

The dollar difference between the various steps on the current salary schedule is approximately \$736. This means that during the first ten years of employment, a teacher gets approximately a 4% annual increase by moving up the steps. For the Buckley Community School district, five of the teachers are now beyond the 10th step and are therefore

not getting step increases. Four additional teachers are on the 9th or 10th step, which means that they will reach the top of the salary scale during the duration of this contract.

After calculating how the Association and Board proposals would affect the individual teachers, I have concluded that the Association proposal is too generous for the teachers still progressing through the steps, and that the Board proposal is not generous enough for the teachers who have reached the end of the steps. The Association proposal would result in increases for some teachers of 9% per year or more. The Board's proposal (assuming the SEV does not increase 3% or more per year) would result in increases of only 2% per year for some teachers.

Statistics published by the U.S. Bureau of Labor Statistics show that inflation for 1984 was 4%. For 1983 it was 3.8%, for 1982 it was 3.9%, for 1981 it was 10.2%, for 1980 it was 13.5%, and for 1979 it was 11.5%. The parties' last Agreement was signed in September of 1981, and granted 9% salary increases per year for three years, in addition to the step increases. Those 9% increases were not out of line considering the inflation rates during 1979 through 1981. For the last three years, however, the inflation rate has been at or below 4%.

The exhibits of the parties show that starting salaries

in Buckley are near the top for the area, but that salaries at the B.A. max and M.A. max are below average. The percentage gap between the low and high salaries is smaller in Buckley than for the average district in the area. In my experience, it is not unusual for a school district to have 11 or 12 steps on its salary schedule, instead of 10 as Buckley has.

#### RECOMMENDATIONS ON SALARY ISSUE

It is my recommendation, based upon the above, that for the 1984-85 school year, an 11th step be added to the salary schedule as requested by the Association, but that no general percentage increase be granted on the steps. This will result in each teacher in the district getting a step increase, either because of the 11th step or because the teacher is still moving up the steps. This results in approximately a 4% increase for each teacher. This will also make the B.A. max and M.A. max for Buckley more competitive with other districts in the area. Considering the last three years of 9% increases, a zero percent general increase is not inappropriate.

For the school year 1985-86, I recommend a 4% increase on the steps. This is in keeping with the average increases in the area as shown by Association Exhibit 7. It also



would provide all teachers with an increase equivalent to the inflation rate during the last several years.

For the 1986-87 school year, I also recommend an increase of 4% on the steps. In addition, if the SEV has increased at least 6% over the 1983-84 SEV of \$25,720,000, then I recommend that an additional 3% increase be given on the steps.

My calculations show that, without the extra SEV increase, these recommendations would result in a teacher at the bottom of the B.A. scale receiving a total increase, including step increases, of 23.6% over the three year period or an average of 7.8% per year. The dollar increase would be about \$3,600, including the step increases. A teacher in the middle of the salary schedule would receive total increases of 21.1% or 7% per year, with a dollar increase of about \$3,840. A teacher at the top of the salary scale would receive total increases of 11.6% increase or 3.8% per year, with a dollar increase of about \$2,680.

Because seven of the teachers in the district will reach the top step even with the addition of an 11th step, the overall average increase for the district by my calculations will be 5.5% per year.

My calculations show that, without the extra SEV increase, the increases recommended above would result in a 1984-85 projected cost of about \$304,000; a 1985-86

projected cost of about \$324,000; and a 1986-87 projected cost of about \$342,000, without the extra SEV increase.

If the SEV increases by 6% over the three years, this would generate some \$20,000 more in tax revenues than would be generated by an average increase of only 1% per year in SEV. The 3% additional increase on the steps for the 1986-87 school would have a projected cost of approximately \$10,000, or one-half of the additional tax revenues.

For the 1984-85 school year, my recommendation would result in teacher salaries being 39% of the total budget, which is in keeping with the district's history. If the district's SEV and budget increase by only 1% per year, then by the last year of the contract the teachers' salaries would account for 43% of the budget if all other things remain constant. This would be at the high end of the district's historic range.

Both parties proposed, although for different years, that there be a longevity increase. Because I have recommended that an 11th step be added to the salary schedule, I have not recommended a longevity increase.

#### FINDINGS AND RECOMMENDATION ON LEAVE OF ABSENCE ISSUE

The Association proposed a change in Article XI to add the following provision:

"A leave of absence of up to one (1) year may be granted to a teacher for the purpose of exploring other career and/or job opportunities."

The Association explained that a teacher could return from such a leave of absence with an improved attitude, and that this would result in higher morale. Half of the teachers in the district have seven or more years of teaching experience, and "burnout" could be a factor. The Association also pointed out that there could be a cost savings to the district, because a teacher lower on the salary schedule could be hired to replace a teacher on leave. The Association stated at the hearing that other leaves which have been granted, such as maternity leaves, have not created any problems for the district. Finally, the Association pointed out that the Board would have the option of denying a leave, since the word used in the proposal was "may."

The Board responded that it rejected the concept that it should be providing security for its teachers to look for jobs elsewhere. The Board stated concerns over attracting new teachers and keeping continuity in its programs. The Board explained that any potential savings could be offset by having to pay unemployment insurance if the new teacher had to be laid off at the end of the year. The Board was also concerned that although the word "may" was used, the

Board could be charged with discrimination if it granted some leaves but not others.

The Association acknowledged that the leave provision it has proposed is a fairly new idea for school districts. In my experience, such a leave provision would be quite unusual for other types of employers. The employer is being asked to hold open a position for a year, and find a replacement, so that the employee can explore other career opportunities. Perhaps in a larger school district this could be accommodated without too much difficulty. However, in a school district the size of Buckley, I am not persuaded that the benefits would outweigh the problems. For these reasons, I do not at this time recommend that the change in the leave provision be adopted.

#### SUMMARY OF RECOMMENDATIONS

On the salary issue, I recommend that for 1984-85 an 11th step be added to the salary schedule but no general increase be given on the steps; for 1985-86 there be a 4% general increase on the steps; and that for 1986-87 there be a 4% general increase on the steps. In addition, if the SEV for 1986-87 is 6% or more higher than the 1983-84 SEV, then for the 1986-87 school year an additional 3% increase be given on the steps.

On the leave issue, I recommend that the proposed change not be adopted.

  
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Kathleen Opperwall  
Fact Finder

Date: February 28, 1985