

Byron Center

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STATE OF MICHIGAN
MICHIGAN EMPLOYMENT RELATIONS COMMISSION

In the Matter of the Fact Finding Between:

BYRON CENTER PUBLIC SCHOOLS

-and-

KENT COUNTY EDUCATION ASSOCIATION/MEA

Michigan State University
LABOR AND INDUSTRIAL
RELATIONS LIBRARY

Case No.: G81-D-427

FINDING OF FACTS AND RECOMMENDATIONS

The undersigned, Kenneth P. Frankland, was appointed on November 20, 1981, by Barry Hawthorne, Acting Director of Michigan Employment Relations Commission, as its Hearings Officer and Agent to conduct a fact finding hearing pursuant to Section 25 of Act 176 of Public Acts of 1939, as amended, and the Commission's Regulations, and to issue a report with recommendations with respect to the matters in disagreement. The Commission had reviewed the circumstances of the impasse as reported by its mediator and it concluded that the matters in disagreement between the parties shown above might be more readily settled if the facts involved in the disagreement were determined and publicly known. A Public hearing was conducted at the Byron Center School District's offices on November 23, 1981. The parties orally summarized their positions at the fact finders hearing submitted exhibits in support of their positions and, thereafter, the record was closed.

KENNETH P. FRANKLAND

Byron Center Public Schools

APPEARANCES:

For the Association:

Gretchen Dziadosz, MEA Executive
Director
Barbara Smart, President - BCEA
William Spence, Vice-President -
BCEA
Susan Johnson, BCEA Team Member
Steven Parker, BCEA Team Member
Chris Lyndrup, BCEA Team Member

For the Board:

Roger Buist, Board Member
Eugene Alkema, Attorney
Harvey Lugten, Superintendent
Phil Regan, Trustee

I. BACKGROUND

The Byron Center School District is located in southern Kent County, and although approximately 20 miles from metropolitan Grand Rapids, Michigan, it is clearly a rural rather than urban or suburban district with no major shopping center or manufacturing plants within its taxing jurisdiction. For 1981-82 the District serves nearly 1500 students with seventy-three teachers who work in five elementary and one middle school and one high school. There are 21 districts in Kent County and all but two belong to the Kent County Education Association. Byron Center ranks 17th in the county in enrollment size. Each year, from 1976-77 to present, the district has lost enrollment, from 1668 in 1976-77 to 1568 in 1979-80 and nearly 1500 for this year.

The Byron Center School District lost 19 mill renewals in June, 1979, March, 1980, June, 1980, September, 1980, and November, 1980. In June, 1981, a 24 mill request was passed. After the '79 and '80 millage defeats, the Board made budget cuts as per Board Exhibit #1. It is noted all busses were eliminated and 11 teachers and 1 administrator were laid off. The District has the reputation of a sound, but possibly conservative fiscal policy over the years, a policy the Board describes as prudent. The Board has usually overestimated costs and underestimated revenues by 3.26% in 1976-77, 1.24% in 1977-78, 4.69% in 1978-79, 4.63% in 1979-80 but had a 8.13% deficit in 1980-81.

1980-81

Budget Cutbacks

Staffing:

Estimated Savings

11 teachers (10 laid off - 1 on leave of absence)	\$182,104
1 administrator	26,275
15 bus drivers	66,538
2 part time custodians, vacation and summer help	9,420
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	\$284,337

Transportation:

general education	68,625
(out of district special education transportation provided)	

Student Services:

student accident insurance	4,157
physical education towel service	2,252
library a-v materials	7,450
driver education	11,508
class advisors	1,470
student council advisors	585
debate coach	445
play director and set construction	513
yearbook sponsor	801
band director supplement	801
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	\$29,982

Athletics:

middle school athletics	4,830
high school athletics (funded by Boosters)	33,176
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	\$38,006

Other reductions:

out of state conferences, workshops and conventions	3,600
teaching supplies (\$5.00 per student)	7,450
middle school and high school textbook series	8,000
improvement of instruction	1,000
bus purchases	32,000
capital outlay	5,620
teacher travel and conferences	2,288
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	59,958

Total estimated savings..... \$480,908

The fund equity had decreased from \$385,486 or 17.3% of expenditure as of 1977 to \$159,093 or 5.6% of expenditures as of June, 1981. Equity includes bus amortization which the accountants for the district state should be excluded from the financial statements of the General Fund. If this were accepted, the 1981 General Fund balance would be \$81,796. The operating millage rate for Byron Center is at 32.93 in the 1981-82 school year. This level of taxation ranks fourth of the 20 Kent County School Districts. The average is 30.32 mills. The highest is East Grand Rapids at 38.01 and the lowest is Cedar Springs at 25.10. The higher paying districts generally are composed of a more affluent suburban voting population and the lower tax rates are generally found in the rural districts to the north and south of the metropolitan area. As a rural district, Byron Center seems to be an anomaly in this context.

The 1981 negotiations began in the spring of 1981 and many of the matters initially in dispute between the parties have been settled. The parties agreed that the current contract is for one year only and that only the matters set forth below remain unresolved at this time.

II. FINAL POSITION OF THE PARTIES:

The following matters are still in dispute and the parties have reached an impasse on their resolution:

A) Salary

1. Board proposal: 5.6% increase on the B.A. base of \$12,690.

	<u>B.A.</u>	<u>M.A.</u>	<u>M.A. +30</u>
1.	13400.64 (1.00)	14740.70 (1.10)	16080.77 (1.20)
2.	14070.67 (1.05)	15544.72 (1.16)	16750.80 (1.25)
3.	14740.70 (1.10)	16348.78 (1.22)	17554.84 (1.31)
4.	15410.74 (1.15)	17152.82 (1.28)	18358.88 (1.37)
5.	16080.77 (1.20)	17956.86 (1.34)	19162.92 (1.43)
6.	16750.80 (1.25)	18760.90 (1.40)	19966.95 (1.49)
7.	17420.83 (1.30)	19564.93 (1.46)	20770.99 (1.55)
8.	18224.87 (1.36)	20368.97 (1.52)	21575.03 (1.61)
9.	19028.91 (1.42)	21039.00 (1.57)	22379.07 (1.67)
10.	19832.95 (1.48)	21843.04 (1.63)	23183.11 (1.73)
11.	20636.99 (1.54)	22647.08 (1.69)	23987.15 (1.79)
12.	21441.02 (1.60)	23451.12 (1.75)	24791.18 (1.85)
*16.	21843.04 (1.63)	23853.14 (1.78)	25193.20 (1.88)
20.	22111.06 (1.65)	24121.15 (1.80)	25461.22 (1.90)
25.	22781.09 (1.70)	24791.18 (1.85)	26131.25 (1.95)

*New step proposed by Association

2. Association proposal:

a) SALARY SCHEDULE - 9% of B.A. base of \$12,960

	<u>B.A.</u>	<u>M.A.</u>	<u>M.A. +30</u>
1.	13832.10 (1.00)	15215.31 (1.10)	16598.52 (1.20)
2.	14523.71 (1.05)	16045.24 (1.16)	17290.13 (1.25)
3.	15215.31 (1.10)	16875.16 (1.22)	18120.05 (1.31)
4.	15906.92 (1.15)	17705.09 (1.28)	18949.98 (1.37)
5.	16598.52 (1.20)	18535.01 (1.34)	19779.90 (1.43)
6.	17290.13 (1.25)	19364.94 (1.40)	20609.83 (1.49)
7.	17981.73 (1.30)	20194.87 (1.46)	21439.76 (1.55)
8.	18811.66 (1.36)	21024.79 (1.52)	22269.68 (1.61)
9.	19641.58 (1.42)	21716.40 (1.57)	23099.61 (1.67)
10.	20471.51 (1.48)	22546.32 (1.63)	23929.53 (1.73)
11.	21301.43 (1.54)	23376.25 (1.69)	24759.46 (1.79)
12.	22131.36 (1.60)	24206.18 (1.75)	25589.39 (1.85)
*16.	22546.32 (1.63)	24621.14 (1.78)	26004.35 (1.88)
20	22822.97 (1.65)	24897.78 (1.80)	26280.99 (1.90)
25.	23514.57 (1.70)	25589.39 (1.85)	26972.60 (1.95)

*New step proposed by Association

b) Add a step 16 to the salary schedule between the top step (12) and where longevity starts (20).

c) Schedule B salaries (academic and athletic extra duties) be changed from a flat rate to a percentage basis.

DISCUSSION:

The Association presented the following salary comparisons to other districts in Kent County:

KENT AREA SALARY RANKINGS
1981-1982
B.A. DEGREE

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BASE			TOP STEP		
RANK	DISTRICT	BASE	RANK	DISTRICT	TOP STEP
1.	Wyoming	14,674	1.	Kent Intermediate	23,071
2.	Rockford	14,640	2.	Lowell	23,001
3.	Grand Rapids	14,605	3.	Wyoming	22,891
4.	East Grand Rapids	14,580	4.	Forest Hills	22,781
5.	Grandville	14,524	5.	East Grand Rapids	22,745
6.	Kent Intermediate	14,524	6.	Kelloggsville	22,742
7.	Kentwood	14,510	7.	Godwin Heights	22,690
8.	Forest Hills	14,480	8.	Grandville	22,658
9.	Godwin Heights	14,413	9.	Caledonia	22,522
10.	Northview	14,412	10.	Grand Rapids	22,504
11.	Kelloggsville	14,214	11.	Northview	22,483
12.	Kenowa Hills	14,300	12.	Kentwood	22,299
13.	Comstock Park	14,291	13.	Thornapple-Kellogg	22,243
14.	Cedar Springs	14,175		ASSOCIATION PROPOSAL	22,131
15.	Sparta	14,143	14.	Cedar Springs	21,971
16.	Thornapple Kellogg	14,105	15.	Sparta	21,924
17.	Caledonia	14,076	16.	Comstock Park	21,900
18.	Godfrey Lee	13,910	17.	Godfrey Lee	21,699
	ASSOCIATION PROPOSAL	13,832	18.	Kenowa Hills	21,593
19.	Lowell	13,782	19.	Rockford	21,475
20.	Kent City	13,727		BOARD PROPOSAL	21,441
	BOARD PROPOSAL	13,400	20.	Kent City	21,277

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KENT AREA SALARY RANKINGS
1981-1982
M.A. DEGREE

M.A. BASE			M.A. TOP STEP		
<u>RANK</u>	<u>DISTRICT</u>	<u>BASE</u>	<u>RANK</u>	<u>DISTRICT</u>	<u>TOP STEP</u>
1.	East Grand Rapids	16,038	1.	Forest Hills	26,209
2.	Grandville	15,977	2.	Grand Rapids	26,077
3.	Kentwood	15,961	3.	Kent Intermediate	25,509
4.	Grand Rapids	15,952	4.	Northview	25,509
5.	Kent Intermediate	15,952	5.	East Grand Rapids	25,369
6.	Rockford	15,950	6.	Grandville	25,248
7.	Forest Hills	15,928	7.	Rockford	25,210
8.	Godwin Heights	15,813	8.	Kentwood	25,103
9.	Kent City	15,786	9.	Wyoming	24,945
10.	Comstock Park	15,732	10.	Godwin Heights	24,852
11.	Kenowa Hills	15,730	11.	Lowell	24,766
12.	Kelloggsville	15,635	12.	Kelloggsville	24,732
13.	Northview	15,565		ASSOCIATION PROPOSAL	24,206
14.	Caledonia	15,483	13.	Kent City	24,022
15.	Comstock Park	15,451	14.	Godfrey Lee	23,647
16.	Godfrey Lee	15,301	15.	Comstock Park	24,537
17.	Sparta	15,285	16.	Caledonia	24,492
	ASSOCIATION PROPOSAL	15,215	17.	Kenowa Hills	24,453
18.	Thornapple Kellogg	15,190	18.	Thornapple Kellogg	24,196
19.	Lowell	15,160	19.	Cedar Springs	23,949
20.	Wyoming	15,114	20.	Sparta	23,692
	BOARD PROPOSAL	14,740		BOARD PROPOSAL	23,451

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KENT AREA SALARY RANKINGS
1981-1982
M.A. +30

M.A. +30 BASE			M.A. +30 TOP STEP		
<u>RANK</u>	<u>DISTRICT</u>	<u>BASE</u>	<u>RANK</u>	<u>DISTRICT</u>	<u>BASE</u>
1.	Northview	18,303	1.	Forest Hills	27,657
2.	East Grand Rapids	17,496	2.	Kenowa Hills	27,313
3.	Forest Hills	17,376	3.	Wyoming	26,999
4.	Grandville	17,284	4.	Kent Intermediate	26,998
5.	Kent Intermediate	17,160	5.	East Grand Rapids	26,681
6.	Kenowa Hills	17,160	6.	Grand Rapids	26,577
7.	Godwin Heights	16,957	7.	Grandville	26,557
8.	Caledonia	16,892	8.	Northview	26,518
9.	Kentwood	16,832	9.	Rockford	26,225
	ASSOCIATION PROPOSAL	16,598	10.	Kelloggsville	26,216
10.	Comstock Park	16,738	11.	Lowell	26,019
11.	Cedar Springs	16,726	12.	Godwin Heights	25,996
12.	Rockford	16,615	13.	Kentwood	25,973
13.	Lowell	16,633	14.	Cedar Springs	25,926
14.	Kelloggsville	16,573	15.	Comstock Park	25,916
15.	Kent City	16,472	16.	Caledonia	25,901
16.	Grand Rapids	16,452	17.	Godfrey Lee	25,594
	BOARD PROPOSAL	16,081		ASSOCIATION PROPOSAL	25,589
17.	Thornapple Kellogg	16,058	18.	Kent City	25,395
18.	Godfrey Lee	15,996	19.	Thornapple Kellogg	25,064
19.	Sparta	15,856		BOARD PROPOSAL	24,791
20.	Wyoming	15,700	20.	Sparta	24,576

On the basis of 1980-81 salary rankings, Byron Center was 19th for B.A. degrees at a base of \$12,690 and 14th on the top step at \$20,304. As to M.A. degrees, Byron Center ranked 19th with a base of \$13,959 and ranked 17th on the top step at \$22,208. As to M.A.'s +30, Byron Center ranked 14th on a base of \$15,228 and ranked 18th on the top step at \$23,477. If one simply compares the 1980-81 rankings with the 1981-82 Board Proposal and Association Proposal, the comparisons would be as follows:

	<u>1980-81</u>	<u>1981-1982 BOARD PROPOSAL</u>	<u>1981-1982 ASSOCIATION PROPOSAL</u>
BA Base:	19th	21st	19th
BA Top Step:	14th	20th	14th
MA Base:	19th	21st	18th
MA Top Step:	17th	21st	13th
MA +30 Base:	14th	17th	10th
MA Top Step:	18th	20th	18th

It should be further noted that the percent increases in Kent County settlements for 1981-82, as presented by the Association, is represented by the following table:

PER CENT INCREASES IN KENT COUNTY SETTLEMENTS
1981 - 1982

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<u>District</u>	<u>B.A.</u>	<u>M.A.</u>	<u>MA +30</u>
Caledonia	9.0	9.0	9.0
Cedar Springs	9.0	9.0	9.0
Comstock Park	9.8	9.8	9.8
East Grand Rapids*	9.8	9.8	9.8
Forest Hills	8.5	8.5	8.5
Godfrey Lee*	7.0	7.0	7.0
Godwin Heights	8.2	8.2	8.2
Grand Rapids	8.9	8.9	8.9
Grandville	9.0	9.0	9.0
Kelloggsville*	8.55	8.55	8.55
Kent City* ¹	9.0	9.0	9.0
Kentwood	8.5	9.1	9.1
Kenowa Hills	10.0	10.0	10.0
Lowell*	9.0	9.0	9.0
Northview	8.5	8.5	8.5
Rockford*	9.0	9.0	9.0
Sparta	8.5	8.5	8.5
Thornapple-Kennogg	8.5	8.5	8.5
Wyoming	9.0	9.0	9.0
Kent Intermediate*	<u>10.5</u>	<u>10.4</u>	<u>10.2</u>
Average:	8.91	8.94	8.93
Average for contracts that were bargained in 1981-82:	8.98	8.96	8.94

*Contract Negotiated this year

¹ 9.0 increase on base; non-retroactive

With the 9% proposal, the District would have a new cost of \$132,3651.46 and the 5.6% proposal the Board would have a cost of \$82,291.28 or a difference of roughly \$50,000. It is clear that the Association has requested a percentage increase which is very close to that which has been the percentage increase in the County Settlements for 1981-82 and that the Board proposal is substantially lower than the other percent increases in the County. Given the relatively low salary schedule in this district historically, even the Association's proposal, if accepted, would not drastically change the ranking of the school district in comparison with other county districts. It would seem, however, that comparisons in rankings and percentage increases in other districts is not of paramount significance because of the relatively unique situation in Byron Center.

The Board's position has been that it does not have the finances to afford more than a 5.6% increase. In fact, the Board indicated they did not disagree with any of the statistics or salary comparisons as presented by the Association, but simply stated that the sole issue is where the money would come from should it be recommended that the Board go beyond their 5.6% proposal.

In support, the Board suggests that for 1980-81 there were budget cut backs of \$480,908 including the total elimination of general transportation. Further, in order to successfully pass a millage, the Board proposal called for the 19 operating mills plus five mills in order to restore some staff and to reinstate

the transportation system. As a result of the passage of the 24 mill package, the Board has begun to implement those items that it agreed to in literature circulate prior to the millage. For example, the transportation system has been restored at a proposed cost of \$228,000. The following positions have been restored: 1 vocal teacher, two-thirds elementary art teacher, one-half elementary physical education, one-half home economic at the middle school, one-half Spanish teacher at the high school, one-third art teacher at the high school, for a total of 3.5 F.T.E.'s.

The Board further indicates that the 5.6% salary increase constitutes a 7.6% total cost to the Board, a statement which was not contradicted by the Association. The Board implied that cost compared favorably to a 7% cost of salary adjustments for custodians, drivers and other employees in a different bargaining unit.

The Board further suggested that the fund equity should really be considered \$81,796 if the G.A.A.S. recommendations on the accounting for buses was taken into consideration. The Board also stated that for fiscal year ending June 30, 1981, the Board ended up with a \$1593 surplus. Thus, with \$1593 carried forward and an adjusted fund equity of \$81,796, the Board suggests that they have proposed a budget for 1981-82 which cannot absorb more than a 5.6% salary increase and that it would not be fiscally prudent to invade the fund equity in order to finance any higher increases. They also suggested it would be folly to propose further millage because it would not be politically viable at

this time. That is amply demonstrated by the fact that the district is the fourth highest millage in the county.

Ultimately, in order to resolve this issue, one needs to review the equity fund balance and the proposed budget to determine whether in fact the school district has the financial ability to fund salary increases beyond that which they have proposed. In consideration of its financial viability, it should be noted that the school district is now out of formula. This does not necessarily change total revenues but shifts the burden almost exclusively to local revenues, 2.9 million. Only a small percentage of the total budget will come from State aid under categorical programs and federal sources. Of \$52,214.61 that the school district might be entitled to under State aid categoricals, they would lose 66% of that under present law.

The Board's present offer appears to be low in light of comparisons to that which have been accepted by board's in other nearby and comparable districts. However, as discussed above, the Board is faced with declining enrollments, reduced funds from State sources, the inability to secure additional higher millage rates and the need to fulfill pledges made at the last millage election with respect to restoration of some services, particularly the busing program. The 1980-81 cutbacks were predominately in staffing, but there were also reductions in the transportation area, student services, athletics, and other miscellaneous areas. The staff reductions within the bargaining unit would appear to represent about 38% of the total estimated savings. Thus, although, staffing was a significant reduction, it cannot be said that the Board took other than an even handed approach in cost reductions. One

cannot argue too strenuously that the estimated \$50,000 in salary differential between the two positions at the present time should not be taken exclusively from the fund equity. Also, the District presented a proposed budget that reflected a deficit of \$58,301. It is not apparent to this writer whether the 5.6% was included in the projections or if it was whether the anticipated deficit would be met by fund equity assessment. For these reasons, it seems that the Associations' proposal should be modified downward.

If the Board's assessment that their salary proposal actually constitutes a 7.6% increase in cost to the Board, the parties should explore whether an 8% total increase in cost to the Board could be a reasonable proposal upon which the parties could agree. It would not seem unreasonable that the .4% additional cost to the Board could be absorbed by the fund equity balance at least on a one year basis. Stated otherwise, should the Board propose a 6% increase in salaries, it would show movement towards a settlement probably within the economic means of the district given present financial constraints and uniqueness of the district. This means the District would have to make a decision on how to best use the fund equity balance. The Association should consider such a proposal as being equitable since this is only a one year contract and the actual cost of transportation, actual revenue from the new millage rate and any increase in the State equalized valuation of the district might shed new light as to the financial viability for the district to absorb any additional increases in the next year.

A second part of the Association's proposal was to convert the Schedule B extra duty salary from a flat to a percentage base.

The Association proposal for the '81-'82 season would affect the following positions:

ASSOCIATION PROPOSAL
Academic Schedule
1981 - 1982

	<u>Percent</u>
Senior Advisor (2 positions)	2.75
Junior Advisor (2 positions)	3.5
Sophomore Advisor (2 positions)	1.5
Freshman Advisor (2 positions)	1.5
Student Council Advisor (High school)	4.0
Student Council Advisor (Middle school)	2.75
Band Director	7.5
Debate	4.5
Play Director	4.0
Set Construction	1.5
Year Book Advisor	7.5
Safety Patrol Director	4.5
Cheer Leading Advisor (Middle school)	2.75
*Pom-Pom (High school)	3.0
*Year Book Advisor (Middle school)	3.0
Driver Education	\$8.75

*New Positions

The Association's proposal further would have the following athletic assignments converted to a percentage of the BA base as follows:

ASSOCIATION PROPOSAL					
Athletic Schedule					
Percent of 1981-1982 BA Base					
<u>Assignment</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>
Faculty Manager					
Varsity Football					
Varsity Basketball					
Varsity Wrestling	12%	13%	14%	15%	16%
Varsity Baseball					
Varsity Softball					
Varsity Track					
Varsity Tennis					
Golf	8%	9%	10%	11%	12%
Varsity Football Ass't					
Jr. Varsity Football					
Jr. Varsity Basketball	7.5%	8%	8.5%	9%	9.5%
Cross Country					
Varsity Track Ass't					
Varsity Volleyball					
Jr. Varsity Baseball					
Jr. Varsity Softball					
Jr. Varsity Wrestling	7%	7.5%	8%	8.5%	9%
J.V. Football Ass't					
Freshmen Football					
Freshmen Basketball					
Cheerleader Advisor	6%	6.5%	7%	7.5%	8%
8th Grade Basketball					
7th Grade Basketball					
Jr. High Track					
Jr. High Wrestling					
J.V. Volleyball	4%	4.5%	5%	5.5%	6%

The Association suggests that the total extra cost of going to a percentage as opposed to flat rate would be \$5687.44. Of the 20 applicable districts in the county, 17 have extra duties on the basis of percentage base salary rather than flat rate. Since the school district did not really address this item, this Fact Finder does not know whether in fact this was a item of dispute for fact finding. Assuming that it was, the Board should give serious consideration to this proposal in view of the fact that the vast majority of the districts in the county have a percentage schedule and if the Associations figures are correct as to cost, the Board could well consider accepting the proposal of the Association as part of a total compensation settlement.

The third proposal by the Association was to add a step 16 and would constitute an increase of .03% of base for those teachers eligible regardless of whether they are BA, MA, or MA +30. The Association suggests that ten teachers would be eligible for this step increase. The Association requests such a step because it is eight years from step 12 before longevity begins at step 20. The Association suggests the cost would be approximately \$4,000 and the Board counters that now is not the time to consider a step 16 and although it may not have a significant impact this year, it would have increasing significance because the vast majority of teachers in the district are at step 12 or below.

This item was not reviewed extensively by either side and it would appear that the parties could reach an accord on this item if the salary consideration was resolved. A comparison of other Kent County districts makes it clear that Byron Center has the largest gap between top step and first longevity step

at eight years whereas East Grand Rapids has only one year as does Kentwood. However, those districts are not comparable either in size or financial resources. The median appears to be four or five years. Further exploration of the long range cost needs to be developed prior to acceptance or rejection of this proposal.

RECOMMENDATIONS:

- 1) The Board should consider a 6% increase in salary which presumably would equate to a 8% increase in cost to the Board.
- 2) The flat rate should be changed to a percentage rate for Schedule B salaries to be consistent with the majority of districts in the county.
- 3) Step 16 proposal should be deferred until economic impacts of the future are measured.

RATIONALE:

Although the Fact Finder has suggested a nominal increase from the Board's present proposal, it is made with the full recognition that the Board projects a \$58,301 deficit at least based upon the information presented at the hearing. The Board did not adequately explain how it was going to finance a 5.6% increase and whether or not that increase was contemplated in the suggested estimated budget which had the projected deficit. No one can quarrel with the rationale of the Board with respect to being fiscally prudent and not desiring to jeopardize fund equity. However, if the Board's suggestion that the proposed

increase actually constitutes 7.6% in cost, then the suggestion of the Fact Finder which presumably would raise the Board's cost to approximately 8% would be extremely fair under all of the circumstances. That proposal would not be as high as the settlements in the other districts, but it would be comparable with those districts that are at the bottom of the ranking at the present time. It would also compare favorably with Kent City, which in reality, according to the parties, was either 7.1% or 7.8% increase rather than 9%. In the alternative, the proposal for a percentage rate on the Schedule B salaries might be considered in lieu of any movement by the Board from its present 5.6% proposal. The Board should give serious consideration to this proposal as it would place the district in conformity with the vast majority of districts in the county and yet would not apparently create economic hardship in the immediate fiscal year. The new step 16 proposal seems untimely and does not necessarily affect all of the employees in the bargaining unit the same and therefore has less merit.

B) Fringes

The Association has proposed that on health insurance, that the employer provide without cost to the bargaining unit that MESSA Super Med II protection for a full twelve month period for each bargaining unit member and his or her entire family and any other eligible dependants, including sponsored dependants. The Association also proposes that the employer provide without cost to the bargaining unit member MESSA Vision Care Plan II. The Board has agreed to pay full family

Super Med II until July 1, 1982. However, the Board proposes a cap of \$150.00 per month. The Board has rejected the addition of the vision package.

DISCUSSION:

The health options for the districts in Kent County is per the following:

KENT COUNTY AREA INSURANCE: 1981 - 1982

HEALTH AND OPTIONS

*Contract Unsettled; Data Based on 1980-81 School Year Contract

<u>District</u>	<u>SM I</u>	<u>SM II</u>	<u>Option (In Lieu of Health Insurance)</u>	<u>Dental</u>	<u>Ort. Rid</u>
*Byron Center		100% (\$125 cap)	\$48.38/month	Plan C (50% coverage)	
Caledonia	100% Board Paid		\$41.16/month	Plan A (75/50)	
Cedar Springs	100%		\$41.16/month	80%	
Comstock Park	100%		\$25/month for Vision Care II, MEALS, and \$10,000 Life for Self & Spouse, \$5,000 children	50/50	
East Grand Rapids	100% (or BC)		\$38/month deferred annuity programs	90/50	
Forest Hills	100%		\$5,000 additional life insurance	Plan A (75/50)	
Godfrey Lee		100%	\$108.90/month	Plan E (80/80)	Yes
Godwin Heights		100% (\$120 cap) covers up to 10% increase each year	\$24.19/month	80%	
Grand Rapids	87.5% (or 100% BC/BS)		\$25/month for Vision Care II, MEALS, and \$10,000 life for Self & Spouse, \$5,000 child	50%	Yes

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<u>District</u>	<u>SM I</u>	<u>SM II</u>	<u>Option (In Lieu of Health Insurance)</u>	<u>Dental</u>	<u>Ortho Rider</u>
Grandville		100% (or BC/BS)	SET Dental, 80% Class I or 70% Class II	50%	
Kelloggsville		100%	SET Dental 75% Class I & 80% Class II & 50% for Ortho, \$35,000 life	50%	Yes
Kent Intermediate		100% (\$110 cap)	-0-	75/50	
Kent City		\$120.28 CAP (or BC/SET)	SET Dental, 80% of Class I, II and Ortho Rider	80%	
Kenowa Hills		\$122.11 cap (or BC/SET)	MESSA/Delta Dental E, 80% Class I & II		
Kentwood	100%		SET Dental (90-50-50) \$5,000 Life and LTD, Vision Care II Ortho Rider 50% or \$1,500	80%	
Lowell		100% (\$145.70 cap)	\$59.10/month	A (75/50)	Yes
Northview	\$155.85 cap		SET Vision Care, MEALS, \$10,000 Life for Self & Spouse, \$5,000 for child	60%	Yes
Rockford	100%		MESSA/DELTA Dental 90% Class I, II & Ortho Rider. Auto \$20,000	70%	
Sparta		100%	Delta Auto & Dental MESSA Vision II		
Thornapple Kellogg	98%		\$41.16/month	75/50	Yes
Wyoming		100% (\$145 Cap)	\$35/month to cover MESSA Vision Care II and MEALS, rest at teacher's choice	80	Yes

At the present time there is a cap of \$125.00 and apparently with that cap there was a cost of \$20.70 per month for July and August for those individual teachers with full family coverage. Since this is a prospective expense, there is no way of determining what the actual cost would be, although it is reasonable that even with the cap of \$150.00 it is possible that teachers would have an out-of-pocket expense. An analysis of the health options available in the county indicate that nine districts have less expensive plans under Super Med I and that of those districts that have Super Med II, all districts have a cap below the \$150 proposed by the Board.

As to the cost of the vision insurance, the figure of \$10,000.00 is suggested by the union and it is not necessarily controverted by the Board. The Board's position simply being that this is not the time to be proposing new fringe benefits.

RECOMMENDATION:

The Board's position seems reasonable and should be accepted by the Association both as to the cap on the health insurance and the deferral of additional fringe benefits such as vision coverage.

RATIONALE:

The health insurance package offered by Byron Center is one of the best in the county. The addition of the \$150.00 cap provides a small margin to the district as to total expense, but does not create any unreasonable burden for the employee when compared with the benefits that are available in other districts.

As to the vision coverage, the district's financial condition does not warrant an additional fringe benefit at this time.

C) Lay-Offs

The Association's position is that the present contract language should remain unchanged. That language is: "Lay-offs will be effectuated 30 days prior to beginning of a new school year."

The Board's proposal would be to modify Article XVII, paragraph F to read as follows:

"In the event of or need to lay-off due to a decrease student enrollment or shortage of revenues, the Board may lay-off teachers having valid contracts during the school year. Lay-offs will be effectuated on 30 days notice prior to each semester."

DISCUSSION:

The Association suggests that they have backed off prior demands and simply want a restatement of last year's language. They suggest it is the only humane thing to do, that a teacher has a contract for one year and ought not to be laid-off during the middle of the school year. It is suggested that this has an adverse effect upon the students and it is an unsound policy. The Board counters that the only reason that teachers are laid-off is the result of shortages of revenues or decreasing enrollments. The Board suggests that it is sound policy to be able to effectuate mid-year lay-offs at semester breaks because that is a logical break in the schedule and does not adversely effect the continuity

of the educational program being offered to the students. The employer has laid-off teachers in the past only prior to the beginning of the school year. It is known that at least four other districts forbid mid-year lay-offs while at least eight contracts expressly allow such lay-offs. It does not appear to be in dispute as to the time of the notice, but when it may be offered.

RECOMMENDATIONS:

The school district proposal should be adopted. ✓

RATIONALE:

The employers' proposal is most in accord with the areas practice. Given decreasing enrollments, increasing costs and potentially unreliable revenues, it does not seem unreasonable for the employer to have the ability to effectuate lay-offs when the district believes it is reasonable and prudent to do so. The burden of course would be on the district to justify the necessity and the reasonableness of any such mid-year lay-off.

D) Board Rights

Association Position:

The position of the Association is that the previous contract language should remain unchanged.

Board Position:

The Board proposes to amend the existing contract to provide the following: "To determine what, if any, academic and athletic schedule positions will be filled and by whom on a yearly basis."

DISCUSSION:

There is a dispute among the parties as a result of an arbitration award issued September 14, 1981 by Barry C. Brown. That award held that the school district had misapplied and misinterpreted the language of the recognition and extra duty clauses of the contract, by permitting year book advisor functions to be performed by a school employee, namely the principal of the high school, who was not a member of the bargaining unit of the Association. The arbitrator found no anti-union bias or ulterior motive but its good faith decision violated Articles I-A and IV-B (academic schedule). In short, the grievance was upheld as a subcontract of bargaining unit work offered to an employee of the district who was a supervisor and outside the unit.

The parties to the contract can obviously alter any the terms by mutual agreement. Here the Board proposes new language presently unacceptable to the Association. The Board urges they want to restore their authority to determine what positions will be filled and by whom and to be able to accept voluntary help from parents during periods of financial crisis.

Obviously the Board can decide to maintain or drop a program or position as it deems necessary and appropriate. What it cannot do is to drop a program or position and then have those duties performed by someone employed by the district when a bargaining unit employee customarily performs those duties and is ready, willing and able to do so.

The Board can obviously accept voluntary assistance from interested parents but only if it is truly voluntary, not aided by the Board of school management and does not establish a custom or practice, the intent of which is to deny bargaining unit employees extra work normally done by them. In a word, they could not subcontract to volunteers that which a bargaining unit employee should perform under the contract.

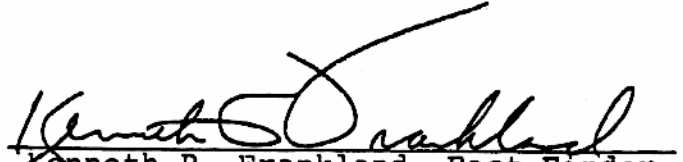
It appears the Board has slightly overstated its position in paragraph #6 of Article III. The goal is to clarify when volunteer assistance would be available and not infringe upon subcontract work of the bargaining unit. This language seems too expansive and the Association has a point in opposing such broad language. A compromise should be obtained if the parties in good faith, return to the table to exchange further ideas.

RECOMMENDATION:

The Board's proposal is too broad and does not address the real issue of volunteer help. The Board can determine if an academic or athletic schedule position will or should be dropped but may not fill such a position later by a school employee outside the bargaining unit. The parties should reestablish dialogue that does not repudiate the principle established in the arbitration case, but does recognize the Board's right to accept volunteer assistance.

It is hoped by the Fact Finder that this report and the recommendations herein provide a basis for a prompt and equitable settlement of the matters in dispute and that a new agreement is soon reached.

Dated:


Kenneth P. Frankland, Fact Finder