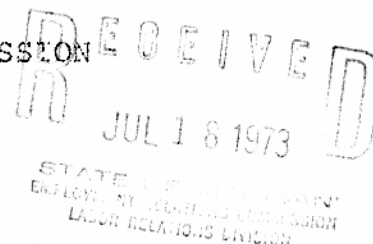


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STATE OF MICHIGAN
DEPARTMENT OF LABOR
EMPLOYMENT RELATIONS COMMISSION



In the Matter of

CITY OF FLINT

-and-

CITY OF FLINT SUPERVISORS
ASSOCIATION
UNIT II

Case No. D73 C-958
Michigan State University
LABOR AND INDUSTRIAL
RELATIONS LIBRARY

On June 6, 1973 the undersigned, Leon J. Herman, was appointed by the Employment Relations Commission as its hearings officer and agent to conduct a fact finding hearing relevant to the matters in dispute between the above parties, pursuant to Section 25 of Act 176 of Public Acts of 1939 as amended, and the Commission's regulations. Accordingly, and upon due notice, hearings were scheduled and held on June 30, 1973 at Flint City Hall, Flint, Michigan.

Flint, City of

Patrick H. Hynes, City Attorney, and Daniel Boggan, Jr., Deputy City Manager, represented the City.

Charles A. Forrest, Jr., Attorney; Jack D. Broadworth, Deputy City Treasurer and President of the Association; Theresa M. Haley, Data Processing Administrator and Robert Haw, Superintendent of Water Supply, appeared on behalf of the Association.

The employees of the City of Flint are classified by the Civil Service Commission in Grades 1 through 40, employing a point system involving eight factors. Certain positions at the highest level such as City Manager, City Attorney, City Clerk and Finance Director are exempt from Civil Service.

A number of higher echelon Civil Service employees have been recognized by the Michigan Employment Relations Commission as a collective bargaining unit. Of the 18 classifications recognized as within the unit, two are currently vacant; 14 are members of the Supervisors Association. The titles and classification levels of the positions herein involved follow:

<u>TITLE</u>	<u>GRADE</u>
City Assessor	33
Deputy Purchases & Supplies Director	25
Deputy City Treasurer	27
Safety & Training Coordinator	23
Deputy City Assessor	28
Deputy Municipal Court Clerk	22
Deputy City Clerk	23
Data Processing Administrator	29
Water Supply Superintendent	35
Senior Auditor	26
Income Tax Administrator	29
Deputy Finance Director	31
City Engineer	34
Asst. Recreation & Park Superintendent	31
City Treasurer	33
Asst. Community Development Director	31
Finance/Budget Systems Analyst	35
Urban Renewal Administrator	35

Of the 12 unions with which the City negotiates, this group is the only one which has no written contract and desires none at this time. Instead, it asks only that certain fringe benefits be

improved and salary increases be granted for the fiscal years 1972-73 and 1973-74. The fiscal year begins July 1st.

The Association has listed a number of exempt classifications:

Director, Department Public Works	37
Director, Purchasing & Supplies	31
Director, Department of Health	37
Executive Director, Community Development	37
Director, Department of Human Relations	26
Director, EEO	28
Deputy City Manager	32
Budget Analyst	26
Director, Budget and Evaluation	26

In addition, certain confidential employees are excluded. They include secretaries in the City Manager's office at Grade 18; senior clerk stenographers at Grade 12; and clerk stenographers at Grade 10.

The Association asks for salary increases and benefits equivalent proportionately to those given to the listed exempt classifications. It argues that their duties and responsibilities are closely correlated and that in fairness they should receive the same emoluments.

It is also noted that the City has contracts with the American Federation of State, County and Municipal Employees, Locals 1600 and 1799. Local 1600 includes the lower level of general city employees. Local 1799 covers the next higher plateau. However, certain classifications in Local 1799 are closely equivalent

to those of this Association. Local 1799 also comprises City Traffic Engineers, Assistant Director of Street Maintenance, Maintenance Superintendent, Accounting Supervisor, Public Housing Supervisor, Zoning Administrator and Waste Collection Supervisor.

Exempted employees were given a 5.8% direct salary increase for 1972-73. Local 1799 members received 5.1% in salary and fringes, of which 2% was a salary increase.

The Union asks a 5.8% increase for 1972-73. The City has offered the 5.1% increase granted to Local 1799.

Local 1799 includes a number of higher grades of supervisory employees, with the bulk of the membership in a far lower echelon. While the same situation is true of the exempt classifications, the supervisory exempted positions have been separately indicated in the City's submission to the Pay Board for 1972-73. I am of the opinion that the work done by the membership in this association is more akin to that of the exempt classification than it is to Local 1799. The grades in each group are substantially on a par. I therefore propose that an increase of 5.8% in direct salary be given to all Unit II supervisors as above listed, whether or not they are members of the Association, for the year 1972-73.

The Union also asks that the Blue-Cross/Blue-Shield insurance coverage provided by the City be improved by changing the present MVF 1 coverage to MVF 2 coverage with master medical. I deny the request insofar as it applies to the 1972-73 fiscal year, since it is manifestly impossible to provide such coverage retroactively.

As to 1973-74, it appears that Local 1799 has been granted MVF 2; Local 1600 is covered by MVF 1. The higher exempt group is

covered by MVF 2. The City has refused a change in coverage from MVF 1 on the ground that the cost would be 0.96%.

The City has granted MVF 2 to Local 1799 and to the higher exempt classifications. I can see no valid reason why it should not also be supplied to the supervisors in this Unit. The cost is minimal. More important, the membership in this Unit range in age from 39 to 65. Only two in the group are under 48 years of age. They are in that period of maturity when the improved health insurance program is most likely to be needed. It should be granted at the earliest possible date.

The Association has offered to surrender the birthday holiday its membership is allowed plus one special holiday. It asks in exchange that it be allowed three personal leave days per year. It points out that the same arrangement was made by the higher exempt group and approved by the City. The City has rejected the proposal on the ground that it would cost 0.4% in extra compensation.

The Union points out that no actual cost is sustain by the City. These are supervisory employees, who are charged with getting their work done whether or not they take days off. They are paid no overtime. If a day is taken off from work it must be made up.

I agree with the Association's contention that personal leave days constitute no monetary loss to the City. I therefore recommend that the exchange of one birthday and one special holiday for three personal leave days be made in the year 1973-74.

Pensions for retirees are computed on a percentage factor designated as a multiplier. Currently, the pensions for members of the Association are computed on a 1.6 multiplier. The Association asks that the multiplier be increased to two percent.

It is pointed out that Local 1799 was granted a 2% multiplier in 1972-73 at a City estimated cost of 2.29%. Local 1600 received a 2% multiplier in 1972-73 at an estimated cost of 0.72%. The exempt classifications including the lower level group were allowed a 2% multiplier for 1973-74 at a cost of 2.29%. Concededly, the higher exempts are not ordinarily long term employees. The Association asks that it also be granted the same multiplier.

The City points out that the cost of a 2% multiplier in this group would be 2.72%, higher than in any other group referred to by the Union, and that because of the cost factor the percentage should not be allowed.

It might be well to point out at this time the statistical inaccuracy of the cost percentages computed by the City. These percentages, as to every economic factor, are calculated on the basis of the number of employees and salaries paid in the particular unit. It is thus obvious that were a Unit to consist of only two or three employees, the percentage factor would be phenomenally high.

Logically, the percentage factor should be applied as against all employees of the City as an aggregate. It would then be far lower as to each group than the present method of computation indicates. Were verification necessary, it is only needed to examine the percentage

factors applied in this matter to the various groups involved. Local 1600, with a large membership, is given a percentage factor of 0.72%, whereas this Unit, with a very small membership, is charged with 2.72%. These calculations are plainly unfair, since they are loaded to the detriment of smaller units. They should not be utilized to the disadvantage of this collective bargaining unit. The cost factors are mathematically and financially valid only if they are based on City wide employment costs.

In view of the fact that the City has already granted a 2% multiplier to Locals 1600 and 1799 and to all exempts, it appears only fair that the same multiplier be allowed to this group.

The City salary schedules provide for step increases beginning with the first six months from date of hire and continuing to the 20th year of employment. There is a further step increase in all classifications up to level 30. There is no step increase beyond the 20th year for employees in grades above 30. The Association asks that in the higher levels a 21st year step increase be added. It is particularly emphasized that certain new employees, such as the Deputy City Manager, were given a discretionary placement at a higher step when employed.

The City opposes any increase in the schedule. It is a City wide salary pattern, which it does not wish to disturb for one particular group. As to discretionary increases on placement, it points out that these are occasionally necessary to obtain qualified employees at higher levels of City management. While it is true that this might, on its face, appear to be prejudicial to employees who had to begin at Step 1 to achieve their increases through length

service, it is nevertheless a fact of life which must be permitted if the City is to obtain qualified help.

I agree with the City's position in this matter and propose that no change be made in the longevity pattern presently in effect.

City employees may presently retire on pension at age 55 after 25 years of service. The Association asks that its members be permitted to retire after 25 years of service regardless of age. It is pointed out that Local 1600 members may retire after 25 years regardless of age under their 1973-74 contract. Local 1799 was given the same benefit in 1972-73. Only the exempt group does not have such a provision.

The City opposes the proposal on the ground that the group has long service with the City. To permit retirement at 25 years regardless of age would substantially increase the City's unfunded liabilities and would tend to enervate its supervisory staff at a time of peak capacity. It is estimated that the cost to the City would be 3.28%.

The Association's position in this proposal is somewhat ambivalent. It has insisted throughout that it should be treated with the same consideration and allowed the same increases and benefits as are the higher exempt employees. In this instance it asks that it be treated exactly as the lower echelon of City employees are treated. I believe that in the interests of consistency the request should be denied.

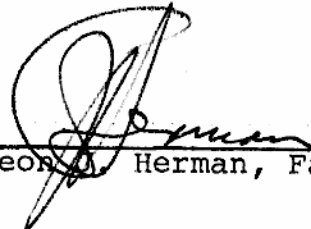
The one other issue raised by the Association is a direct salary increase for 1973-74. It points out that Local 1799 was given a three percent direct increase, Local 1600 a five percent

increase and the higher exempt group a 3.4 percent. The Association asks that it also be given a 3.4 percent direct salary increase provided that all requested fringes are also allowed.

The City points out that the total of direct salary and fringe benefits allowed the exempt employees for 1973-74 is 4.7%. It asks that the total value of the fringes allowed this group be deducted from that percentage and that the difference be allotted as a direct salary increase.

Again, applying the same percentage factor to this group as was applied to the higher exempt group, I propose that a direct salary increase of 3.4% be allowed to the classifications represented by the Association.

In their joint request for fact finding the Michigan Employment Relations Commission, the parties stipulated that the recommendations made by the fact finder would be binding upon both the City and the Association. The attached award shall therefore be implemented as directed therein.

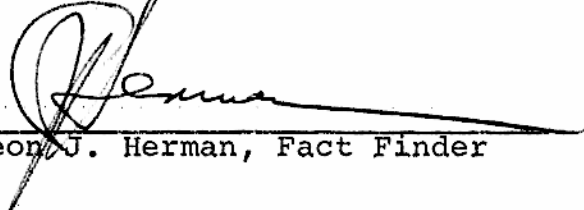

Leon S. Herman, Fact Finder

Southfield, Michigan
July 16, 1973

AWARD

The following awards are made applicable to all supervisors represented by the City of Flint Supervisors Association, Unit II:

1. The employees are to be paid an increase in direct salary of 5.8 percent for the fiscal year 1972-73. All retroactive payments due to these employees shall be paid within four months from the date hereof.
2. No change is awarded for the Blue-Cross/Blue-Shield health insurance coverage for 1972-73. The City is directed to amend such insurance to MVF 2 coverage with master medical for the current fiscal year as rapidly as is practical.
3. The employees are directed to surrender one birthday and one special holiday during the year 1973-74. The City is directed to allow the employees three personal leave days during the year 1973-74.
4. The City is directed to apply a two percent multiplier to pensions of this group.
5. The Association's request for an improvement in the longevity program is denied.
6. The Association's request for optional retirement after 25 years regardless of age is denied.
7. The City is directed to increase salaries for the year 1973-74 by 3.4 percent of the salaries paid for 1972-73 as above modified.


Leon J. Herman, Fact Finder