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LABOR AND INDUSTRIAL
RELATIONS COLLECTION
Michigan State University

STATE OF MICHIGAN
DEPARTMENT OF LABOR
EMPLOYMENT RELATIONS COMMISSION

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STATE OF MICHIGAN
DEPARTMENT OF LABOR
EMPLOYMENT RELATIONS COMMISSION

IN THE MATTER OF FACT FINDING)

between)

CITY OF ISHPEMING)

and)

MICHIGAN COUNCIL #25,
AFSCME, AFL-CIO, LOCAL 1282)

REFERENCE:

MERC Case No. G88-H-653

REPORT AND RECOMMENDATIONS
OF THE FACT FINDER

The Michigan Employment Relations Commission appointed the undersigned as its Fact Finder and Agent on September 8, 1988 to conduct a 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 between these Parties. Several pre-hearing telephone conversations were held with the Parties to establish a Hearing date. The Hearing was scheduled and held on Thursday, October 27, 1988 from approximately 1:00 p.m. until approximately 4:30 p.m. in the City Conference Room. At the conclusion of the hearing all issues presented to the Fact Finder originally, remained with this Fact Finder plus two additional issues (1) funeral leave and (2) hospitalization, medical and dental coverage, were added at the mutual request of the Parties for this Fact Finder's recommendations. At the close of the Hearing, the Union indicated a desire to file a brief. The date to file briefs was established as November 27, 1988. On November 26, 1988, the Fact Finder received the Union's brief and pursuant to a telephone conversation on December 2, 1988, was informed that the Employer would not be filing a brief.

Fact Finder and Agent: David L. Poindexter, appointed under the procedures of the Michigan Employment Relations Commission.

Representing the Parties:

Employer: David M. Savu
City Attorney
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Ishpeming, MI 49849

Labor: Peter J. Dompierre
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710 Chippewa Square
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Attended Hearing:

City: Stuart Skauge
 Chief Negotiator;
 Helen St. Aubin,
 City Manager.

Labor: Ed Faccio,
 Staff Representative;
 Don Maki,
 Staff Representative;
 Anita Keto,
 Steward;
 Jean Novak,
 Chairperson.

INTRODUCTION

The City of Ishpeming, hereinafter referred to as City, and AFSCME Local 1282, hereinafter referred to as Union, entered into an agreement that was effective January 1, 1985 and terminated December 31, 1987. (JX-1) The Petition for Fact Finding indicated that there were mediation meetings held on January 2, 1988, for three hours (3), on February 11, 1988 for three and one-half hours (3 1/2) and on July 18, 1988 for forty-five (45) minutes. The Petition for Fact Finding was received by the State of Michigan, Bureau of Employment Relations, Detroit Office, on August 8, 1988 at 10:20 a.m. The Petition listed six (6) issues that had remained unresolved by the parties during their negotiations and mediation processes. At the Hearing, the Parties mutually agreed to add two additional issues, Funeral Leave and Hospitalization, Medical and Dental Coverage and change the title of one issue from Computation of Benefits to Consolidation and Elimination of Jobs. The issues to be addressed are as follows:

1. Wages
2. Sick Leave
3. Consolidation and Elimination of Jobs
4. Contracting and Sub-Contracting
5. Cost of Living Clause
6. Severance Pay
7. Funeral Leave
8. Hospitalization, Medical and Dental Coverage

Prior to the start of the Fact Finding Hearing, this Fact Finder held a pre-hearing conference with representatives of the City and Union to determine if any of the issues listed above had been settled after filing of the Petition. Both Parties indicated that all issues remained unresolved and evidence would be presented on all issues. No stipulations regarding substantive issues could be reached, therefore all issues were presented to the Fact Finder for his report and recommendations.

Extensive evidence was presented to this Fact Finder in an attempt by each Party to establish a basis for evaluation of the economic and non-economic proposals at impasse in this contractual dispute. Each Party presented financial information to assist this Fact Finder's conclusions and recommendations. However, neither Party submitted comparison information of other cities to assist this Fact Finder. The Fact Finder's role in this process, is to bring an external perspective to these complex financial and comparative

processes so that each party and its respective contingency can have some confidence in the good faith positions of the opposing Party.

The Parties have taken opposing positions on the way the City's funds should be utilized. The City has taken the position that budgets are planning attempts, which must be administered flexibly as daily and yearly conditions occur and there must be a reserve for these emergency conditions. The Union's position specifies that such budget are a matter of differing priorities into which employees want continuing input.

There is no dispute as to the City's current ability to pay as the representative for the City having had specifically stated so at the Hearing. Although the Union presented evidence on the City's ability to pay, since the City did not dispute this evidence, other than the differing priorities in the budget as mention above, this Fact Finder will not address the issue of ability to pay and will make his determination on the basis of comparability to other "similar" locations and the need for flexibility.

While the parties may not agree with the Fact Finder's conclusions, they may be assured that such conclusions and recommendations appeared to him to be the reasonable position from which an employment contract may evolve.

In writing this report and opinion, this Fact Finder will start in reverse order of the issues presented.

ISSUE:

Hospitalization, Medical and Dental Coverage

Current Contract:

Currently, Article 35, Hospitalization, Medical and Dental Coverage reads as follows:

(a) The Employer agrees to pay the premiums for the following dental, hospitalization, and medical insurance coverage for the employee and his family. The Plan (sic) to be Blue Cross/Blue Shield Plan MVF-1, Master Medical, BC and BS Riders or equivalent coverage mutually agreed upon. This coverage shall be applied to all employees covered by the terms of this Agreement.

(b) The Employer agrees to pay the full premium for dental and hospitalization medical coverage for the employee and his family during an employee's absence as the result of any injury, illness, or maternity, not to exceed one year on non-job related illness.

(c) The Employer agrees to pay the full premium for dental and hospitalization medical coverage for the employee and his family while the employee is laid-off, not to exceed one year.

(d) The Employer agrees to pay the full premium for dental and hospitalization medical coverage for the employee and his family for all employees who qualify for retirement, not to exceed one (1) year.

Position of the Parties:

City: The City has proposed a change in Article 35 (b), (c), and (d) that would limit its liability for insurance premiums for laid-off employees from one (1) year under the current contract to six (6) months.

Union: The Union proposed that the change should be from one (1) year to nine (9) months.

OPINION AND RECOMMENDATIONS

Neither party presented much evidence on the instant issue. The presentation was mainly one of argument. Financial and comparability information offered by the Parties is to be used to assist the Fact Finder in his opinions and recommendations. In the instant matter, no such information was made available to the Fact Finder, therefore the Fact Finder must be left to his own resources.

The City argues that the one (1) year time period is a burden but is willing to agree to six (6) months which correlates with the unemployment compensation period. The Union states in their brief, " The Union would agree to reduce the current language to nine (9) months in hopes of resolving the issue."

Removing an item from a contract that a Party, be it Union or Management, has bargained for and received in the past should not be taken lightly. The City in the instant matter is requesting a give back by the Union. The Union, in a compromise has offered to reduce their demand to nine (9) months. This Fact Finder does not believe that the Union is significantly out of line with its counter-proposal given the overall package of this collective bargaining agreement, therefore it is the recommendation of this Fact Finder that the proposal of the Union to reduce the one (1) year period to nine (9) months be incorporated into the current contract.

ISSUE:

Funeral Leave

Currently, Article 29, Funeral Leave, reads as follows.

An employee shall be allowed up to three (3) working days not to be deducted from sick leave for a death in the immediate family to attend the funeral and to attend to pre-funeral or post-funeral arrangements including probate court hearings at a later date.

Immediate family is limited to grandparents, parents, foster parents, brothers, sister (sic) of the employee or their spouses or the employee's spouse, children, grandchildren, and relatives of the employee or spouse living in the employee's house.

An employee selected to be a pallbearer for a deceased employee will be allowed one (1) funeral leave day with pay, not to be deducted from sick leave. The Chapter Chairperson or his representative shall be allowed one (1) funeral leave day in the event of a death of a member of the Local Union, for the exclusive purpose of attending the funeral.

Position of the Parties:

City: The City proposes to redefine immediate family to parents, foster parents, spouse or children.

Union: The Union proposes that no change be made in the current contract.

OPINION AND RECOMMENDATION

In the normal course of collective bargaining the party requesting the change presents its reasoning for the change and factual information to support the change. In the instant matter, the City made no presentation as to the need for a change in the language. There was no evidence presented that the Funeral Leave portion of the contract had been abused or any loss was experienced by the City. As shown by Union

Exhibits U-1 through U-4, and Joint Exhibit-I, the language in all five contracts are similar in the definition of immediate family in that they include a broad range of related persons. It is this Fact Finder's opinion that the City's proposal is unreasonable under the facts as presented to this Fact Finder, and therefore it is the recommendations that the contract language remain the same as was proposed by the Union.

ISSUE

Severance Pay

Currently, Article 52, Severance Pay, reads as follows:

All regular, full time City employees shall be entitled to the following compensation upon death while employed by the City, or upon retirement:

0-9 years.....	\$ 0
10-14 years.....	\$300
15-19 years.....	\$400
20-24 years.....	\$500
25 years and over.....	\$600

In addition, severance will be pro-rated and paid according to the number of full months worked in the current year.

Position of the Parties:

Union: The Union requested the word "termination" be added to the current contract language found in Article 52, page 29 as shown above. This, the Union, argues would give them the same benefit as supervisory employees have enjoyed for approximately six (6) years. (U-4, Appendix d)

City: The City argues that by using the word termination, an employee who is fired could still collect severance pay under Article 52 and that severance pay is an incentive for employees to stay with the City. The word--termination--could

be construed to include those who are fired, involuntarily leave or quit. The City intends to reward those who stay on the job and retire or unfortunately die while employed with the city.

OPINION AND RECOMMENDATION

It is the opinion of this Fact Finder that the City's position is the most appropriate. The word--termination--could and probably would be, if the issued were to go to arbitration, considered by the arbitrator to include employees who were fired or left voluntarily. The concept of severance pay in this instant contract rewards someone who retires from the City's employment or helps compensate the family at the death of a long term employee. The City's argument that they do not want to establish an incentive to leave city employment, is a valid argument, although it is this Fact Finder's opinion, that the amount of severance pay concerned here, would not be a significant factor in making such a decision.

Therefore, it is the opinion of the Fact Finder, that the language should remain as it is in the current contract.

ISSUE

Cost of Living Clause

Currently Article 50, Cost of Living Clause, reads as follows:

Cost of Living adjustment shall be made using the January, 1977, release of the United States Department of Labor, Bureau of Labor Statistics, Consumers Price Index (all items

report) for urban wage earners and clerical based on 1967=100. This formula is retroactive to January 1, 1977, and is renewable each year on January 1.

(a) Cost of Living adjustments shall be made on the basis of changes in the index: quarterly on the first pay period following the release of the cost of living index in April, July, October and January during the life of this Agreement.

(b) For each 0.3 index difference, each employee shall receive an increase or decrease of one (1) cent per hour, or whichever is applicable for subsequent payroll periods, such increases to be added to the base rates.

(c) In no event will the decline of Labor Statistic Consumer Price Index go below that of January, 1979. Said release shall not provide a basis for reduction in the base hourly rates in effect under this Agreement.

(d) Cost of Living shall not be paid in excess of twenty-seven (27) cents any calendar year (January 1 - December 31).

(e) During the contract period 1/1/85 through 12/31/87 this article (Cost of Living) shall be frozen and inoperative.

Position of the Parties:

City: The COLA Article is a non issue. It is not operative and will continue to be frozen. It is not being used, therefore why leave it in the contract.

Union: The Union's position is simply to retain the current language found in Article 50, page 28 of JX-I with the understanding that the clause will be inoperative for the term of the Agreement. Currently, all labor Agreements within the City (U-1, U-2, U-3, U-4) have similar language covering this topic. This is a no-cost item for the Employer and should be maintained as is.

OPINION AND RECOMMENDATIONS

This Fact Finder believes that, as stated by the City, this is a non issue. Neither Party is hurt by its inclusion or exclusion from the Contract. However, as stated by the Union, it is a no cost item for the City and therefore it can be maintained as is without harm. It is the opinion of this Fact Finder that the current language found in Article 50, page 28 of JX-I should be retained with the understanding that the clause will be inoperative for the term of the Agreement.

ISSUE

Contracting and Sub-contracting

Currently, Article 40, Contracting and Sub-Contracting, reads as follows:

The Employer will be allowed to contract and/or subcontract out work provided it does not replace or displace members of the bargaining unit or reduce their regular hours thereof, unless mutually agreed to by the Union and Management.

Position of the Parties:

City: The City has proposed to eliminate the sub-contracting provision. It is the City's position that it must be able to remain flexible in the event of future financial difficulties and that this flexibility must be adopted throughout the City.

Union: The Union's position is to retain the current contract language on this issue. Currently all labor Agreements within the City (U-1, U-2, U-3, U-4) have similar language covering this topic. It is the Union's position that deleting the current contract language will give the city less flexibility

and that without the current language found in Article 40, JX-1, the parties would have to rely on Article 2, management's right for guidance in a contracting/subcontracting situation. The Union feels the City's language does not address the concerns and needs of either the Employer or the Union.

OPINION AND RECOMMENDATION

The issue of subcontracting has historically created conflict between labor and management in the private sector and is becoming more of a problem in the public sector. Its application to the public sector is being given greater consideration in view of the most recent economic environment coupled with elected officials' concerns about accountability to the taxpayer. The issue is essentially one of balancing an employer's interest in running a safe, efficient, and economical operation and labor's interest in maintaining job tenure and employment security for employees.

As stated above, in the normal course of collective bargaining the party requesting a change presents its reasoning for the change and factual information to support the change. In the instant matter the City presented no evidence for the need for the change. It argues that it needs the flexibility. The language of the contract affords some flexibility when it suggests contracting can occur when mutually agreed upon by the Union and the Employer. The City also retains some flexibility under the Management's Rights clause, which states in part, "...to select and to determine the number and types of

employees required; to assign work to such employees in accordance with the requirements determined by management, to establish and change work schedules and assignments; to transfer, promote, or demote employees, or to layoff, terminate, or otherwise relieve employees from duty for lack of work or other legitimate reasons, to determine the facts relating to lack of work; to make and enforce reasonable rules for the maintenance of discipline; to suspend, discharge, or otherwise discipline employees for cause, and otherwise to take such measures as management may determine to be necessary for the orderly, efficient and economical operation of the city."

(JX-I) This language gives the City a degree of flexibility, but not total freedom. Therefore it is the opinion of this Fact Finder, that the subcontracting language should remain unchanged.

ISSUE

Consolidation and Elimination of Jobs

Currently, Article 39, Consolidation and Elimination of Jobs, reads as follows:

The Employer agrees that any consolidation or elimination of jobs within the Unit shall not be effected without a special conference.

Position of the Parties:

City: The City wishes to delete the language of Article 39. The City's position is that it has caused past problems which are now in litigation and serves no useful purpose other than to delay the implementation of decisions made by the City.

Since the input by the Union is only advisory, a special conference is not needed.

Union: The Union argues that the language found in Article 39 of JX-1, page 24, is only restrictive to the Employer to the extent that the Employer must hold a special conference prior to consolidating or eliminating a bargaining unit job. The Union feels that this mandatory meeting is advantageous and beneficial to both parties in pursuing quality labor relations.

OPINION AND RECOMMENDATIONS

This Fact Finder is in agreement with the Union's position that this Article is restrictive only to the Employer to the extent that the Employer must hold a special conference prior to consolidating or eliminating a bargaining unit job. Presumably, the conference is for the purpose of explaining to the Union the need for the consolidation or elimination and to allow the Union the ability to make recommendations. However, the provision does not require the Employer to accept or implement those recommendations. This Fact Finder is in agreement with the Union that this meeting is advantageous and beneficial for both Parties in pursuing quality labor relations by allowing a formal structure for the communication process.

ISSUE

Sick Leave

Currently, Article 28, Sick Leave, reads as follows:

(a) Sick leave is defined as: a regular full-time employee's absence from duty because of illness, bodily injury, diagnostic treatment, dental procedures, optician's services, or

attendance upon members of the immediate family whose illness requires the care of such employee. Sick leave will accrue at the rate of one (1) day for each month worked, with one hundred (100) days maximum accumulation. Sick leave may be taken in increments of one-half (1/2) hour.

(b) A child-birth leave, with those benefits as provided by law for which the employee is eligible due to her certified and diagnosed disability will be granted, for a period of up to six (6) weeks, or as otherwise certified by a physician, but in any event not to exceed six (6) months. The employee requesting such leave shall file her request, in writing, not later than five (5) months before the expected birth of the child. When the employee can furnish a physician's statement certifying her fitness to perform her tasks, she shall be allowed to continue her position as long as she desires. (c) Use of sick leave with pay exceeding three (3) consecutive work days requires a medical statement from a physician in order for the employee to return to work and be paid for those sick leave days used.

(e) One-half (1/2) of all unused sick leave days will be paid upon retirement. An employee while on paid sick leave will be deemed to be on continued employment for the purpose of computing all benefits referred to in this agreement and will be construed as days worked specifically.

Position of the Parties:

Union: The Union argues that it has proposed the no-use-of-sick-leave bonus in response to the Employer's concern of sick leave usage and possible abuse. The proposal would provide:

Employees who use four (4) or less sick leave days in one contract year will be eligible for a bonus payment in the amount of one hundred (\$100.00) dollars to be paid by January 15th of the succeeding year.

The total potential cost of this proposal would be \$450.00 per contract year if all four full-time employees and the part-time employee qualify each year. The Union feels this proposal would truly be a useful tool in dealing with sick leave useage and possible abuse.

City: The City argues that it does not want to pay an employee a one hundred (\$100.00) dollar bonus for coming to work when they are not sick (i.e. sick leave abuse) or having someone come to work when their work would not be productive because they are sick. If an employee is sick, the employee should properly use the sick leave policy. If an employee is not sick, they should not abuse the sick leave policy and come to work.

OPINION AND RECOMMENDATION

This Fact Finder is in agreement with the City. If an employee is not sick, they should be willing to come to work as is their obligation under the employment contract. Abuse of sick leave, in fact, is a legitimate reason to discipline an employee. A bonus should not be necessary to have employees not abuse the sick leave policy. In the instant case, no abuse has been shown, which is a credit to the employees. However, even if abuse had been shown, this Fact Finder believes the City has the right to deal with it in other ways instead of setting up a reward system for not abusing sick leave.

Although the City has done so in another bargaining agreement, the facts in that situation appear to be significantly different from those in the instant matter.

ISSUE

Wages

Position of the Parties:

Union: The Union has proposed a three (3) year Agreement effective January 1, 1988, providing a thirty-five cent (\$0.35) per hour increase in the base rate for each year of the Agreement.

The total cost of the Union's three (3) year proposal is approximately Nine Thousand Three Hundred and Twenty-Eight Dollars (\$9,328.00) for five (5) bargaining unit members. The Union contends that the Employer has more than adequate financial resources to fulfill the employee's requests and this argument is reinforced in Joint Exhibit-II (The City of Ishpeming's Comprehensive Financial Statements Year End 1987). "The Union feels that its position is even further reinforced by reviewing other Union contract settlements within the City, those being U-1, U-2, and U-3.

U-1.--Provides the Ishpeming Fire Fighters an increase in yearly salary of \$468.52 for calendar year 1988 and a \$496.08 increase in yearly salary for calendar year 1989.

U-2--Provides the Ishpeming City Police employees an increase in the base hourly rate of \$.32 per hour effective 4/1/88 through 6/30/88.

U-3--Provides the Ishpeming D.P.W. employees an increase in the base hourly rate of \$.27 per hour effective 1/1/88 through 12/31/88." (Union's brief)

City: The City's position is a twenty-five cent (\$.25) per hour increase for the first year, a freeze the second year and a reopener for the third year. The City does not argue that it currently does not have the ability to pay a wage increase, but is uncertain with regard to the future because of various projects that the City is under taking both voluntarily and involuntarily. Examples of these projects included landfill financing (E-3); sewage disposal system and transfer station cost. The City also argues that the increases in these possible expenses are further complicated by the fact that the City's S.E.V. as of July, 1988, was decreasing with a revenue drop of Eighty Thousand Dollars (\$80,000). The city believes that it needs to have the freeze for the second year and a reopener for the third year based on these contingencies.

OPINION AND RECOMMENDATION

The validity of the economic position is usually very difficult to analyze because each Party understandably has presented its best case consistent with the goals of its representative constituents. In this situation, the comparison

of the two positions is difficult because little common ground was discovered.

The Union believes the City has the ability to meet their demands with existing resources. Using the December 31, 1987 financial statements, the Union points to funds not reserved in the amount of \$586,718.00, a reserved contingency amount of \$200,000 and an amount reserved for the sewage disposal system of \$500,000 for a total contingency amount of \$1,286.00.

The City argues that while it entered 1988 with the above fund balance in its contingency funds, the \$200,000 is for a specific litigation, the \$500,000 is not really a contingency fund and may in fact not be enough to meet the cost for the sewage disposal system (\$667,000). The City also suggests that the unreserved amount of \$586,718 in 1987 has been reduced to \$353,173 for 1988. The City also argues that the cost overrun on the county-wide landfill, as seen in the City's letter of November 7, 1988, could double to a project cost of \$510,000 and that this cost plus the known water project costs will exceed the City General Fund Surplus as of 12/31/88.

The Fact Finder's role in this process is to bring an external perspective to complex financial and communication processes, so that each Party and its respective constituency can have some confidence in the good faith positions of the opposing Party. Each Party has presented its interpretation of the financial information to assist the Fact Finder in his conclusions and recommendations. In presenting these data to a

Fact Finder, neither Party should expect a detailed analysis or audit of the financial data. The Fact Finding process is not solely an accounting process, as the negotiating atmosphere created is as controlling as are such financial data themselves, which are not that precise and are subjected to interpretation. The Fact Finder has been engaged to facilitate the communication process as much as the financial process. As the City has identified correctly, budgets are planning attempts, which must be administered with flexibility as daily conditions occur, so to is the Union's position that such budgets are a matter of differing priorities into which employees want continuing input as they are being determined.

With regard to the City's desire to have a wage reopener in the third year of the contract, this Fact Finder is of the opinion that such a request is consistent with the financial data presented. There are certain contingency expenses that the City has pointed to that affect the budget, i.e. waste water treatment, landfill and transfer costs, that will either be more fully developed by the end of the second year of this contract, or the number financial data will become more concrete with time. This seems to be the direction the City was heading, when it negotiated the D.P.W. Employees contract which is a two year contract having an effective date of January 1, 1987 and expiration date of December 31, 1988 as well as the negotiated two and one-half year contract with the

Teamsters Local No. 328. In the uncertain financial times of recent years this Fact Finder has seen the development of more two year contracts and reopeners. The rationale is valid, in that it takes into account the difficulty of long term planning.

In the instant matter, most of the questions regarding the reserved contingency, i.e. \$200,000, the reserved funds for the sewage disposal system and other unanticipated cost with regard to the landfill should be answered or at least better defined within the two year period and therefore this Fact Finder believes that a wage reopener at the end of second year would be appropriate.

In Fact Finding, it is normal for the Parties to present to the Fact Finder comparable entities for the Fact Finder to use when developing his opinions and recommendations. In this instant matter, the Parties did not produce comparables for this Fact Finder's consideration, therefore he is left to the information presented and his own resources with regard to hourly wages.

Within the last year this Fact Finder has completed three Act 312 Arbitration Awards for three Upper Peninsula communities. During these Act 312 hearings, the Parties presented comparables on numerous cities throughout the Upper Peninsula. These comparables included Escanaba, Gladstone, Houghton, Ironwood, Marquette, Kingsford and Sault Ste. Marie. Although these comparables were used in Police Officers Act 312

Hearings, the comparables included wages of other city employees, the S.E.V. and other pertinent financial facts of the above named cities. It should be noted, however, that comparative wage information is difficult to assess because of the number of variables which are included within "wages" and the fact that the total package of the contract must be considered. Taking this into consideration, the wage increases for the comparables listed above fall into the general range of three (3) to four (4) percent. For example, in the City of Sault Ste. Marie, the Police Officers Unit received 3.5% for 1987, 3% for 1988 and 3% for 1989. The D.P.W. employees received 3.5% for 1986, 1987 and 1988, while the clerical unit received 3.5% for 1986, 1987 and 1988. In Kingsford, an increase of 3% for 1987, 4% for 1988 and 4% for 1989, was agreed to for the unionized work force and the non-represented employees received a 3% increase in 1987 and 4% in 1988. Wage increases in the three (3) to four (4) percent range seem to be the norm for most communities in the Upper Peninsula.

In reviewing the City's and Union's wage proposals, this Fact Finder notes the following wage information:

Current Wage	Union Proposal \$.035 p/hr	Employer Proposal \$0.25 p/hr
Civil Engineer Tech. \$8.70 per hour	3.9%	2.8%
Assistant Librarian \$7.92 per hour	4.4%	3.1%
Account Clerk \$7.83 per hour	4.4%	3.2%

Accounting Tech/ Deputy Treas. \$7.83 per hour	4.4%	3.2%
Children's Librarian \$7.39 per hour	4.7%	3.4%
Sec/receptionist/ Deputy Clerk \$6.50 per hour	5.3%	3.8%

As can be seen by the above table, the Union request for a \$0.35 increase for the first year gives a percentage range of 3.9% to 5.3% depending on job title. The Employer's offer gives a percentage range of 2.8% to 3.8% depending on job title.

Neither proposal seems to be out of line with the comparables listed above. The comparables had wage increases from 3% to 4% with the mode about 3.5%

Considering the comparables, the financial difficulties of the City and the total package of the contract, this Fact Finder is of the opinion that the employees in the instant unit should receive a wage increase of \$.0.25 for the first year of the contract, which would break down as follows:

Current Wage	Percentage increase with \$0.25 per hour
Civil Engineer Tech	\$8.90/hr divided by .25 = 2.8%
Assistant Librarian	\$7.92/hr divided by .25 = 3.1%
Account Clerk	\$7.83/hr divided by .25 = 3.2%
Account Tech/Dep. Treas.	\$7.83/hr divided by .25 = 3.2%
Children's Librarian	\$7.39/hr divided by .25 = 3.4%
Sec/receptionist/Dep. Clerk	\$6.50/hr divided by .25 = 3.8%

This increase would, in general, put these employees within the range of increases for the comparables in the first year.

Adding the increase of \$0.25 for the first year to the base

rate and with a \$.028 per hour increase in the second year would break down as follows:

Current Wage	Percentage increase with \$.028 per hour
Civil Engineer Tech	\$9.15/hr divided by .28 = 3.0%
Assistant Librarian	\$8.17/hr divided by .28 = 3.4%
Account Clerk	\$8.08/hr divided by .28 = 3.5%
Account Tech/Dep. Treas.	\$8.08/hr divided by .28 = 3.5%
Children's Librarian	\$7.64/hr divided by .28 = 3.6%
Sec/receptionist/Dep. Clerk	\$6.75/hr divided by .28 = 4.1%

With the increase of \$0.25 for the first year and \$0.28 the second year, the increases are well within the comparables of 3 to 4 percent as noted above. It also puts them within the range of the raises given to other units of the City as follows:

Firefighters

1988 \$468.52 divided by \$17,853.44 = 2.6% increase
1989 \$496.06 divided by \$18,321.96 = 2.7% increase

City Police

The City Police increase of \$0.32 p/hr has a percent increase range of 2.6 percent for Detective Sergeant to 4.7 percent for Dispatcher II.

Department of Public Works

The D.P.W. increase of \$0.27 has a percent increase range of 2.5 percent for Public Works Foreman to a 3.1 percent for Laborer Starter.

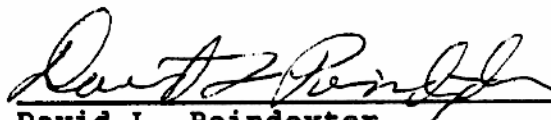
This Fact Finder is of the opinion that the raises of \$0.25 and \$0.28 and the reopener the third year is equitable to all parties. The increase in wages is similar to raises which have been given to employees of comparable cities and the employees of the instant city and the reopener gives the

Employer the flexibility it needs with regard to any future financial difficulties.

CONCLUDING STATEMENT

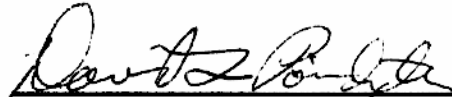
The opinions and recommendations included in this report were based on consideration of all evidence, testimony and argument presented, even if all such references were not included herein. The recommendations were intended in their entirety, to provide a basis for the final resolution of the contractual dispute. The economic recommendations were based on an assessment of the City's financial condition and the employees' financial needs. The non-economic issues were considered on the basis of the effect they might have on either party. The recommendations contained herein above, are offered as a package to assist these Parties in resolving their contractual differences now. Without a mutual effort to reach an agreement, the individual recommendations herein can be attacked singly, as a basis for continuing not only such contractual issues and disputes, but also the daily operational complaints from both sides for which each party must accept mutual responsibility. It is with hope for a contrary result that this Fact Finder has offered this report as a catalyst to end the current impasse situation for these Parties.

Respectfully Submitted:


David L. Poindexter
Fact Finder and Agent

CERTIFICATION

I, David L. Poindexter, having been appointed by the Michigan Employment Relations Commission as its Fact Finder and Agent, pursuant to Section 26 of Act 176 of Public Acts of 1939, as amended, and the Commission's regulations, having sworn my impartiality, and having weighed and considered all the testimony, evidence, and argument presented, and in view of the preceding opinion and discussion, have recommended to the foregoing provisions as contained hereinabove.



David L. Poindexter
Fact Finder and Agent

Dated this 26th day of Dec, 1988, Marquette, Michigan

Subscribed and sworn to before me this
26th day of Dec, 1988



Leda Thompson, Notary Public
Marquette County, Michigan
My commission expires: 11/12/91