

3/2/76

STATE OF MICHIGAN
EMPLOYMENT RELATIONS COMMISSION

KALKASKA PUBLIC SCHOOLS

-and-

KALKASKA EDUCATION
ASSOCIATION/MEA

6

FINDINGS OF FACT AND RECOMMENDATIONS

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A factfinding hearing concerning three contract issues still in dispute was conducted on Saturday, January 31, 1976, in the school administration offices in Kalkaska. The School Board was represented by Merle W. Grover, Dale D. Cotter, and William Boehme. The Kalkaska Education Association was represented by Luis M. Diaz, Charles G. Clark, and Roger Hopkins.

Three issues remained in dispute at the time of the hearing, the 1975-76 Salary Schedule, Insurance, and Pay for Extracurricular Activities. The Factfinder understands that all other contract questions have been settled, including Calendar.

1975-76 Salary Structure

The Factfinder has very carefully reviewed the exhibits offered by both parties and admits to some confusion in trying to reconcile each party's revenue projections with the other's. There didn't seem to be any serious disagreement between the parties at the time of the hearing as to just what revenues might be anticipated for the 1975-76 school year, yet on closer analysis, the parties are some \$22,000 apart, a not insignificant amount. Try as he might,

the Factfinder cannot reconcile exactly Exhibit 22(a), offered by the Board, with Exhibit 14, offered by the Association. The Board's projection is shown as being \$1,964,948, a 7.7% increase over what is reported for Fiscal 1975, \$1,824,459; the Association's projection is \$1,986.260, which, if accurate, represents a 6.6% increase over the \$1,862.560 it shows as 1974-75 revenues, and an 8.9% increase over what the Board shows as last year's revenues.

Thus, the parties can't even agree as to what last year's revenues were, something that should already be a matter of record and easily determinable. It is perfectly understandable, therefore, that they are not able to agree on the current year's revenues, some elements of which are somewhat speculative at best.

Notwithstanding that the Board projects only a 7.7% increase in revenues over the 1974-75 level, the Board has offered a salary schedule that it claims is 8.2% higher than last year's. In terms of total dollars to the teachers as a whole, the Board's offer does represent an 8.2% increase, but included in that increase is the annual increment each teacher (except those at the top of their bracket) becomes eligible for simply by reason of one more year's service. Thus, for example, a fourth-year teacher at the BA Min. level, earning a prescribed and agreed upon salary in 1974-75, becomes eligible for an annual increase to the fifth-year salary level by reason of nothing more than the passage of time. The Board's claim, therefore, that

its 1975-76 offer is 8.2% over the 1974-75 salary level, while true in the strictest sense perhaps, is misleading, because it takes advantage of the concept of annual incremental increases which conceptually are already a part of the salary structure.

The Board's offer is not as generous as might appear at first blush.

The Association's demand, upon careful analysis, is for what would amount to at least a 13.1% increase, exclusive of the incremental factor, across the board. A significant portion of that increase would be represented by the Board's assuming to pay the full cost of the teachers' retirement program. If the incremental factor be renegotiated, as is expected, the total dollar increase to every teacher in the system, again excluding those already at the top of their brackets, would approach 19%, a generous amount.

The Factfinder could spend a great deal of time trying to reconcile Board Exhibit 22(a) with the Association Exhibit 14. Indeed, it is supposed that he could even schedule another factfinding hearing with reconciliation of those exhibits as its objective, but for reasons hereinafter outlined he does not see a real need to do so. His experience in other school district cases and his reasonable familiarity with the Michigan Department of Education's Form B, which is the Annual School District Financial Report, prompts him to adopt Board Exhibits 22(a) and 21 as probably more exact than Association Exhibit 14, but his findings of fact and recommendations

made herein do not turn on that circumstance. In other words, both parties should understand that the Factfinder does not place any significant reliance on Board Exhibits 22(a) and 21 vis-a-vis Association Exhibit 14 in what follows hereafter. It is sufficient to say that the Factfinder is satisfied that his recommendations are reasonable and equitable to both parties regardless of whose projected revenue figures are used.

It is customary, indeed the rule, in factfinding and arbitration hearings, where wages, salaries and other benefits are disputed, for the parties to submit evidence of what others in like or similar circumstances are doing. For want of a better characterization, such evidence is called a comparable. Each of the parties here has submitted its lists of comparables, the Association's being Exhibits 10, 11, 11(a), 11(b), 11(c) and 13, and the Board's being Exhibit 22(g), the latter an 11-page document.

Lists of comparables are necessarily arbitrary, it being the prerogative of each party to select its own comparables. Since selection implies rejection, it follows that the Association will offer as its comparables those school districts whose wage, salary and other benefit programs are such as to minimize, by comparison, the benefits its members enjoy and thereby make its demands appear more reasonable. Conversely, a school board may be expected to choose as its comparables those school districts whose benefit programs make its own look good by comparison.

The Factfinder has charted the 1975-76 salary history as compared with 1974-75 salary levels of all those school districts offered as comparables by the Association and the Board. Of particular significance, he thinks, is the fact that the percentage increases computed, as reflected on the charts appended hereto, are applied to the teachers' training levels across the board, without regard to incremental increases based solely on the passage of time. Referring, therefore, to Chart A, which is an analysis of Association Exhibit 11, it is shown that the 1975-76 beginning salary at the BA minimum level in the Bad Axe School District is 4.1% higher than the beginning salary at that level in the year 1974-75. Referring to Chart B, which is an analysis of Association Exhibit 11(a), it is shown that in 1975-76 the maximum salary payable to a Bad Axe teacher with a BA degree has been increased over the maximum of 1974-75 by 7.8%, which means that a teacher one level removed from the maximum in the year 1974-75 and earning whatever the contract called for at that level in that year, has jumped not to \$13,500, the 1974-75 maximum, in the year 1975-76, but rather all the way to \$14,550, a level 7.8% higher than the previous year's maximum. Obviously, in terms of dollars, that teacher's increase in 1975-76 was more than 7.8%.

Charts A, B, C and D show that all ten school districts reflected thereon have granted percentage increases in varying

amounts over the 1974-75 salary levels. Half of them, Clare, Fennville, Gladwin, Manistique and Watervliet have gone even further, assuming for the first time payment into their teachers' retirement funds. That payment, in each such instance, has represented a 5% increase in addition to the salary percentage increase reflected on Charts A, B, C and D, so that the average increase, including retirement but excluding incremental increases for the ten school districts shown is 6.78% at the BA Min. level, 7.94% at the BA Max. level, 6.64% at the MA Min. level, and 7.29% at the MA Max. level.

By comparison, the Board's offer here is an 8.2% increase in dollars to the teachers, which, as stated, includes the annual increment payable to everyone except those at the top of their brackets. As can be seen from Charts E, F, G and H, hereafter discussed, the Board's offer, excluding the incremental increase, is in reality a 6.5% increase at the BA Min. level (Chart E), a 4.3% increase at the BA Max. level (Chart F), a 6.0% increase at the MA Min. level (Chart G), and a 3.9% increase at the MA Max. level (Chart H). Thus, the Board's offer compares reasonably favorably at the BA Min. level with the average of the Association's comparables, somewhat less favorably at the MA Min. level, and it fares very badly at the BA Max. and MA Max. levels.

Charts E, F, G and H are the Factfinder's compilations of salary information furnished by the Board in its Exhibit 22(g). The ten school districts reflected thereon are identified by the

Board as "Ten Region II Schools of Comparative Size to Kalkaska." Each chart reflects the percentage increase negotiated for the year 1975-76 in each of the nine districts chosen by the Board for comparison, and the percentage increase at each experience level represented first by the Board's offer, then by the Association's demand absent retirement benefit payments, and, finally, by the Association's demand with retirement benefits included.

Chart E shows, then, that the Board's offer of a 6.5% increase at the BA Min. level is slightly higher than the average percentage increase given in the other nine school districts.

Chart F shows, however, that the Board's offer at the BA Max. level, again exclusive of annual increment, is only 4.3% over the 1974-75 salary level, whereas the average percentage increase among the nine comparables chosen by the Board is 8.82%, more than twice what the Board has offered. Indeed, Chart F shows that even if the Association's salary proposal less retirement were to be adopted, the average percentage increase among the other nine school districts would still be 0.4% higher.

Chart G relates to the MA Min. level, and it shows the relationship of the Board's offer of a 6.0% increase to the average percentage increase granted, 6.42%.

Chart H again shows the Board to be far removed from what is being done at the MA Max. level elsewhere. Whereas the

Board's offer of \$14,600 represents only a 3.9% increase over 1974-75, the average percentage increase among the comparables is 8.58%, more than twice the Board's offer. Again, the Association's offer less retirement is less than the average, in this case by some 0.78%.

Charts E, F, G and H show one other very significant factor, and that is that the Association's demand for a salary increase plus retirement, if granted, would represent more than a 13% increase at all levels, considerably higher than the average increase granted among the nine comparable school districts.

The Factfinder is not unaware of the relationship of voted millage to a school district's ability to pay. Chart I, again compiled from Board Exhibit 22(g), shows the same nine comparables, their 1974-75 and 1975-76 millage levels, and their current positions among themselves at the four salary levels analyzed. Chart I, again compiled from Board Exhibit 22(g), shows the same nine comparables, their 1974-75 and 1975-76 millage levels and their current positions among themselves at the four salary levels analyzed. Chart I factors in Kalkaska in consideration of the Board's offer, the Association's demand less retirement, and the Association's demand with retirement. It is particularly interesting to note that if the Board's offer were to be adopted at all experience levels, only Tawas Area and Alcona would be paying less at the BA Min. level, only Alcona and Onaway at the BA Max. level, only Tawas Area at the

MA Min. level, and only Onaway at the MA Max. level. Alcona's current millage is shown as 20.0; Onaway's as 20.04; and Tawas Area as 20.3; all less, but not much less, than Kalkaska's 20.7.

On the other hand, if the Association's demand for salary plus retirement were to be adopted, Kalkaska would rank second at the BA Min. level, behind only Charlevoix, third at the MA Min. level, and fifth at the BA Max. and MA Max. levels.

It is interesting to note further that if the parties were to settle on the Association's salary demand only, without retirement, Kalkaska's relative standing in comparison with the other nine school districts would be the same as if the Board's offer were adopted at all levels except the MA Min. level, where it would be improved by three positions.

Chart J was compiled by totaling each of the reported district's positions at the four salary levels to arrive at each district's standing overall as compared with each other district. For better understanding, the Factfinder analyzed Chart I, and adding up Charlevoix's positions at each of the four salary levels, first at BA Min., seventh at BA Max., second at MA Min., and third at MA Max., determined that Charlevoix overall enjoys a higher standing among the ten districts represented than any other district. The Association's salary demand including retirement, its demand less retirement, and the Board's offer are factored in from Chart I, and Chart J shows that overall, Kalkaska would be in last place if the Board's offer were to be adopted.

Board Exhibit 22(h), an 11-page exhibit, is a study comparable to that represented by Exhibit 22(g), only it covers 39 Region II school districts rather than ten, and it is not limited to school districts comparable in size and resources. Kalkaska is one of the 39 districts reported. Charts K, L, M and N serve much the same function as Charts E, F, G and H, except on a broader scale. Chart K, for example, shows the average 1975-76 percentage increase at the BA Min. level for all school districts reported, excluding Kalkaska, as being 6.62%. The Board's offer of a 6.5% increase at that level is not far out of line.

Chart L tells quite another story, however. There it is shown that the average 1975-76 increase is 8.48%, whereas the Board's offer at that level is only 4.3%. Again, even the Association's demand less retirement is less than the average, although not remarkably so. Its demand including retirement is significantly greater than the average, however.

Chart M shows the average 1975-76 increase at the MA Min. level to be 6.89%. The Board's offer and the Association's demand bracket that figure fairly exactly, the Board being at 6.0% and the Association at 7.7%. Again, the Association's demand including retirement, being at 13.1%, is considerably out of line with what has been done elsewhere this school year.

Chart N, like Chart L, shows how far out of line the Board's offer is at the maximum earnings levels for both BA- and MA-trained teachers. The MA Max. average increase this year for the 38 school districts other than Kalkaska is shown as being 8.1%, more than twice that offered by the Board, 3.9%. Again, the average is higher than the Association's demand less retirement. Even farther removed from the Board's offer on the negative side, however, is the Association's demand including retirement on the plus side, which is computed to be 13.2%.

Chart O is a compilation of what appears on Charts K, L, M and N, and it is offered here as an aid to the parties when they return to the bargaining table upon receipt and review of this report. It seems to the Factfinder that Chart O provides an appropriate vehicle to report each of the school district's millage picture, although the latter obviously doesn't reflect each district's revenue picture in the absence of any relevant information concerning property assessment values. It may be helpful to the parties to see, however, that of the 39 districts reported, including Kalkaska, 25 have voted higher millage than Kalkaska's 20.7 mills.

Charts P and Q are counterparts to Charts I and J and they speak pretty much for themselves. Chart P is another compilation of Charts K, L, M and N, showing each reported school district's position

at the several salary levels in relation to each other district's position. And Chart Q is a further refinement of the same information, ranking the districts according to their accumulated position points, and incorporating therein where Kalkaska would stand if each of the three options herein considered, the Board's, the Association's less retirement, and the Association's plus retirement, were to become reality. Chart Q shows that Kalkaska would rank fifth overall among the 39 districts reported if the Association's full demand were met; 28th, if its demand less retirement were met; and 31st if the Board's offer were to be adopted.

The Factfinder is satisfied that the charts attached hereto pretty much tell the story. In his judgment, they show the Board's offer to be too low whether compared with Kalkaska's immediate neighbors and districts of approximately the same size or with all Region II schools generally. They show that the Board's offer may well be an 8.2% increase in terms of dollars to the teachers, but in terms of structural increase it is considerably less than 8.2%. They show, further, that the Board's offer in terms of structural increase falls significantly below the average structural increase in two areas, at the BA Max. and MA Max. levels, somewhat less significantly low at the MA Min. level, and at or only slightly below at the BA Min. level, depending upon whether the comparables reported on Chart E or those reported on Chart K are used.

The Factfinder is equally satisfied that the Kalkaska School District is not poverty stricken, and, in fairness, nobody has suggested it is. Indeed, it appears that its state equalized valuation and its current millage rate are such as to bring in revenues in sufficient amount as to disqualify the district for state aid under the Bursley formula. It has thus become, by legislative fiat, a school district so "rich" in property tax resources as to be ineligible for the kind of state aid afforded many of its neighbors.

The Factfinder is also satisfied that the school district is not taxed, at 20.7 mills, at or near its capacity to pay. Twenty-five other Region II school districts, ranging from Alpena at 28.0 mills to Cheboygan at 21.0, are taxed at a higher rate than Kalkaska, and only 13 at a lesser rate, and even among those 13, Leland, Gerrish-Higgins, Houghton Lake, Johannesburg-Lewiston, Onaway, Glen Lake, Lake City, Northport, Tawas Area and Alcona, ten in number, rank higher overall in their salary treatment of teachers than Kalkaska would rank if the Board's offer were to be adopted. There no doubt are other factors contributing to the ability of those lesser-taxed communities to pay more than the Kalkaska Board has offered, but voted millage is an important factor and in that area Kalkaska can do considerably better before it reaches the level set by many of its neighbors.

On the other hand, just as the Board's offer is markedly out of line with both parties' comparables, at least at the BA Max. and MA Max. levels, so too is the Association's demand, which contemplates not only a salary increase but also the school district's assumption of the full cost of teachers' retirement. True, the charts appended hereto reflect that in some instances other districts' teachers at one educational experience level or another received the equivalent of a 13+% increase, but those instances are few and far between.

The Association bases much of its demand on the size of Kalkaska's equity fund, which at the end of the 1974-75 school year was \$317,675. The Association's final argument to the Factfinder was that in view of the size of the equity fund, there can be no justification for not recommending that the Association's demands be met in full.

The Factfinder is not so persuaded.

From his experience in other school district factfinding disputes, in each of which wage and salary benefits were in dispute, the equity fund is pointed at by the Education Association representatives as two things, a source of ready money and an example of the School Board's emphasis on saving money at the teachers' expense. There is no question in the Factfinder's mind that it can become both, but he doesn't find that to be the case here.

The equity fund is, as the Board described, nothing more than the relationship of a school district's assets to its liabilities. It is that which tells the taxpayer whether its school district is operating in the red or in the black. It is the measure, in a sense, of the business management capabilities of the Board.

Here, the school district's 1975-76 budget calls for the expenditure of \$1,964,948. Its average monthly expenditure is in the neighborhood, therefore, of \$163,000. The equity fund, at its present level, represents, then, only about two months' operating costs, a not excessive amount. The maintaining of an equity fund to permit an on-going "in the black" operation, thereby obviating any need for borrowed funds, whether from an outside source or from a succeeding year's budget, is an act of good, sound business management, and the Factfinder is not convinced that a two-month "cushion" is excessive. It may well be that to resolve the conflict existent here, the Board will have to go into its equity fund to some extent and thereby reduce its value at the end of school year 1975-76, but by no means does the Factfinder suggest that its present worth justifies the Association's demand for a 13+% increase structurally at all teaching experience levels.

In sum, then, the Factfinder makes the following findings and recommendations:

1. The Board's offer of \$8,950 as the beginning or hiring salary for teachers at the BA Min. level is fair and represents a salary increase in about the same percentage as the average given in other locations in Region II.

2. The Board's offer of \$13,450 at the BA Max. level is only 4.3% higher than last year's maximum, whereas the average increase at that experience level in Region II is shown to be nearly 8.5%.

The Factfinder recommends, therefore, that the Board's offer be increased to \$13,996, which would represent an 8.5% increase over the 1974-75 salary.

Necessarily, the annual incremental increases between the hiring level and the maximum will need to account for the differences in the percentage increases at those levels, and it is recommended that whatever adjustments are made, they be made in equal amount at all horizontal levels.

3. The Board's offer of \$9,650 as its beginning or hiring salary for teachers at the MA Min. level is nearly .9% lower than the average increase given at that level in Region II. The Factfinder recommends, therefore, that the beginning salary at the MA Min. level be increased to \$9,737, a 7% increase over the 1974-75 level.

4. The Board's offer of \$14,600 at the MA Max. level is only 3.9% above 1974-75, whereas the average percentage increase in Region II schools at that experience level is 8.1%. The Factfinder recommends, therefore, that the MA Max. salary level be increased to \$15,188, an 8.1% increase over last year's level.

Again, the vertical annual incremental increases at the MA Min. and MA Max. levels will need adjustment to account for the difference in percentage increase recommended at the two levels.

That the Factfinder's recommendations are arbitrary is unquestionably true, but they are based on fact - the average salary progression all the other school districts in Kalkaska's region have enjoyed. There is nothing to indicate that Kalkaska's teachers should be treated any more or less generously than their Region II counterparts in terms of percentage increase over last year's salary levels. If last year's salaries were equitable, and it is assumed that being freely arrived at in the collective bargaining process they were, then no inequity is created by recommending increases based on the average increases negotiated elsewhere. That is why comparables are offered, and that is what examination of those comparables calls for here.

Finally, Association Exhibit 1 reflects the existence of three other salaried experience levels of teaching not heretofore contemplated, BA + 18, MA + 15 and MA + 30. It is assumed that the parties intend a continuation of those experience levels in the salary structure since the Factfinder has been offered no advice to the contrary. It is also assumed that once the salary structure of the BA Min., BA Max., MA Min. and MA Max. levels is agreed upon, the parties can agree, without specific recommendations by the Factfinder, upon suitable salaries for the teachers at the three experience levels not herein considered.

Health Insurance

The only evidence either party has offered as to the validity, or lack thereof, of the Association's demand for an increase in paid insurance benefits was the Board's Exhibit 22(i).

Apparently, the Board has been paying all of a teacher's health insurance premium for full coverage or an amount equal to 5% of the teacher's base salary to be applied thereto, whichever is the lesser. It is the Association's demand that the Board increase its contribution to 6% or full coverage, whichever is the lesser, and the Association has estimated the annual increase in cost to the Board, should its demand become reality, to be \$2,070, obviously not an overwhelming amount in a total budget approximating \$2,000,000.

It would be easy to resolve the question by recommending adoption of the Association's offer as being within the pale of reasonableness and equity.

Board Exhibit 22(i) is revealing, however, and it shows that of the 35 school districts reported, all of which are included in the 39 districts whose salary levels have earlier been compared, Kalkaska's teachers, whether subscribed to Blue Cross-Blue Shield or to the Michigan Education Association's MESSA plan, fare reasonably well by comparison. For each Blue Cross-Blue Shield subscriber, the Board has paid \$772 per year for full family coverage. For each MESSA subscriber, the Board has paid \$701 per year. Crawford-AuSable, Frankfort Area and Gaylord Community Schools apparently provide full coverage at no cost to the teachers, but they are the only ones that do. All 31 others pay varying amounts, as much as \$827 in some locations and as little as \$576 in others, the average being \$723.

The Factfinder understands that the teachers who have subscribed to the MESSA group may, if they choose, subscribe to the more expensive Blue Cross-Blue Shield group. What the difference in coverage is the Factfinder doesn't know, but apparently there are some teachers who prefer the less expensive MESSA plan to the Blue Cross-Blue Shield plan. In any event, the Board is already paying nearly \$50 more per month for Blue Cross-Blue Shield coverage for any teacher who wants to subscribe thereto than the average paid by the 31 school

districts in Region II who have not assumed the full cost of health insurance.

With an increase in 1975-76 salary levels projected, at whatever level the parties agree on, the Board's dollar contribution for each teacher is going to increase even at the present 5% contribution rate. That, coupled with the fact that the Board's contribution presently is equitable, causes the Factfinder to recommend against any increase in the program at this time.

Extra-Duty Pay

The present status of the Association's demand for increases in extra-duty pay is as follows:

(a) Exhibit 1(a) sets forth the Association's demand for extra pay for teachers assigned to such extracurricular activities as coaching, the directorship of athletics, sponsorship of the year-book and the senior and junior plays, and others that normally fall outside the scope of a regular teaching function.

(b) Although the Factfinder suggested that the 1974-75 and the agreed upon provisions of the 1975-76 contracts be put in evidence to permit a comparison of last year's benefits overall with this year's, the parties chose not to do so, electing to rely on the prepared exhibits that were offered at the hearing.

All of which leaves the Factfinder, after careful study of both parties' exhibits, completely at a loss when it comes to finding

facts and making recommendations concerning extra-duty pay.

The only facts to be found are that the Association has made a demand and the Board has made no response thereto. If last year's contract were in evidence, the Factfinder could, at the very least, make comparisons between the extra-duty pay provisions thereof and the Association's 1975-76 demand, but even that isn't possible here.

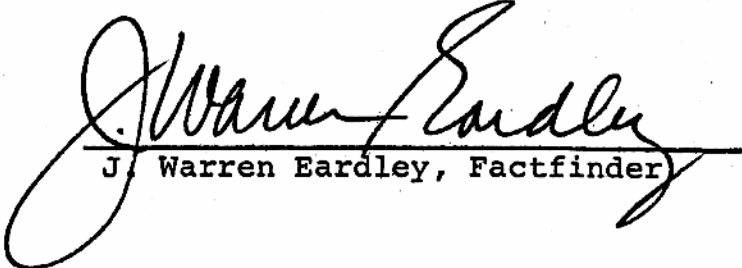
The Factfinder is left with two alternatives. The first is to reconvene the factfinding hearing for the taking of more testimony and the offering of more documentary evidence; and the second is to recommend that the parties return to the status quo and leave the question of extra-duty pay for resolution whenever wages and salaries again become the subject of negotiations. If the parties prefer the first alternative, the Factfinder will reconvene the hearing as expeditiously as his schedule will permit so as to bring this year's contract to fruition without undue delay.

Summary

The Factfinder's recommendations are not binding on the parties to this labor dispute, as they themselves well know. A third party to the dispute, all too often unseen and unheard, is the taxpayer, to whom, in the final analysis, both the Board and the Association must be responsive. It is as much to the taxpayer that

these findings of fact and recommendations are directed as to the parties themselves. The taxpayer has a right to expect the parties to react reasonably in light of these findings of fact, whether the parties are bound thereby or not. They have been arrived at after much study and careful analysis, and they represent the Factfinder's best effort to balance the equities between the parties and to do justice to both sides of this dispute.

Date: March 2, 1976.


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CHART A - Association's Comparables (Exhibit 11)

	<u>BA Min.</u>		
	1974-75	1975-76	% Inc.
Bad Axe	8,850	9,212	4.1
Charlevoix	8,543	9,226	8.0
Clare	9,100	9,400	3.3 + Ret.
Fennville	8,662	9,100	5.1 + Ret.
Gladwin	8,950	9,200	2.8 + Ret.
Harrison	8,600	9,050	5.2
Manistique	8,575	8,800	2.6 + Ret.
St. Charles	8,700	8,800	1.1
Tahquamenon	8,500	9,000	5.9
Watervliet	8,600	9,000	4.7 + Ret.

Average increase (incl. 5% retirement factor) = 6.78%

CHART B - Association's Comparables (Exhibit 11(a))

	<u>BA Max.</u>		
	1974-75	1975-76	% Inc.
Bad Axe	13,500	14,550	7.8
Charlevoix	12,142	13,757	13.3
Clare	13,650	14,100	3.3 + Ret.
Fennville	14,126	14,424	2.1 + Ret.
Gladwin	12,995	13,700	5.4 + Ret.
Harrison	12,660	13,620	7.6
Manistique	13,046	13,271	1.7 + Ret.
St. Charles	13,750	14,350	4.4
Tahquamenon	14,067	14,895	5.9
Watervliet	13,700	14,100	2.9 + Ret.

Average increase (incl. 5% retirement factor) = 7.94%

CHART C - Association's Comparables (Exhibit 11(b))

	<u>MA Min.</u>		
	1974-75	1975-76	% Inc.
Bad Axe	9,450	9,862	4.4
Charlevoix	9,212	9,949	8.0
Clare	9,700	10,000	3.1 + Ret.
Fennville	9,162	9,600	4.8 + Ret.
Gladwin	9,800	10,050	2.6 + Ret.
Harrison	9,200	9,650	4.9
Manistique	9,828	10,053	2.3 + Ret.
St. Charles	9,200	9,300	1.1
Tahquamenon	9,350	9,900	5.9
Watervliet	9,225	9,675	4.3 + Ret.

Average increase (incl. 5% retirement factor) = 6.64%

CHART D - Association's Comparables (Exhibit 11(c))

	<u>MA Max.</u>		
	1974-75	1975-76	% Inc.
Bad Axe	14,100	15,230	8.0
Charlevoix	13,952	15,347	10.0
Clare	14,550	15,000	3.1 + Ret.
Fennville	14,660	15,360	4.8 + Ret.
Gladwin	14,880	15,250	2.5 + Ret.
Harrison	13,870	14,520	4.7
Manistique	13,678	13,903	1.6 + Ret.
St. Charles	14,150	14,750	4.2
Tahquamenon	15,474	16,384	5.9
Watervliet	14,750	15,200	3.1 + Ret.

Average increase (incl. 5% retirement factor) = 7.29%

CHART E - Board's Comparables (Exhibit 22(g))

	<u>BA Min.</u>		
	1974-75	1975-76	% Inc.
Benzie County			
Central	8,978	9,424	5.0
Charlevoix	8,970	9,687	8.0
Whittemore-Prescott	8,744	9,374	7.2
Gerrish-Higgins	8,715	9,188	5.4
Crawford-AuSable	8,600	9,160	6.5
Houghton Lake	8,568	9,135	6.6
Tawas Area	8,500	8,700	2.4
Onaway Area	8,480	9,400	10.8
Alcona	8,400	8,925	6.3
Kalkaska Board	8,400	8,950	6.5
Kalkaska EA	8,400	9,050	7.7
Kalkaska EA/ with retirement	8,400	9,503	13.1

Average percent increase at BA Min. = 6.47%

CHART F - Board's Comparables (Exhibit 22(g))

	<u>BA Max.</u>		
	1974-75	1975-76	% Inc.
Gerrish-Higgins	14,470	14,943	3.3
Whittemore-Prescott	14,145	15,163	7.2
Benzie County			
Central	13,704	14,779	7.8
Houghton Lake	13,346	14,385	7.8
Crawford-AuSable	13,330	14,627	9.7
Tawas Area	13,250	14,500	9.4
Charlevoix	13,131	14,445	10.0
Alcona	11,928	12,674	6.3
Onaway	11,055	13,036	17.9
Kalkaska Board	12,900	13,450	4.3
Kalkaska EA	12,900	13,901	7.8
Kalkaska EA/with retirement	12,900	14,596	13.1

Average percent increase at BA Max. = 8.82%

CHART G - Board's Comparables (Exhibit 22(g))

	<u>MA Min.</u>		
	1974-75	1975-76	%Inc.
Benzie County Cent.	9,818	10,264	4.5
Charlevoix	9,673	10,446	8.0
Onaway	9,480	10,600	11.8
Houghton Lake	9,461	10,028	6.0
Whittemore-			
Prescott	9,350	10,023	7.2
Gerrish-Higgins	9,345	9,818	5.1
Crawford-AuSable	9,200	9,755	6.0
Alcona	9,156	9,728	6.2
Tawas Area	9,025	9,300	3.0
Kalkaska Board	9,100	9,650	6.0
Kalkaska EA	9,100	9,805	7.7
Kalkaska EA/with retirement	9,100	10,295	13.1

Average percent increase at MA Min. = 6.42%

CHART H - Board's Comparables (Exhibit 22(g))

	<u>MA Max.</u>		
	1974-75	1975-76	%Inc.
Gerrish-Higgins	15,541	16,014	3.0
Alcona	15,456	16,422	6.3
Whittemore-			
Prescott	15,233	16,330	7.2
Charlevoix	14,650	16,114	10.0
Benzie County Cent.	14,544	15,829	8.8
Tawas Area	14,275	15,500	8.6
Crawford-AuSable	14,260	15,651	9.8
Houghton Lake	14,238	15,278	7.3
Onaway	12,255	14,236	16.2
Kalkaska Board	14,050	14,600	3.9
Kalkaska EA	14,050	15,141	7.8
Kalkaska EA/with retirement	14,050	15,898	13.2

Average percent increast at MA Max. = 8.58%

CHART I - OPERATIONAL MILLAGE - Position Ranking 1975-76

	74-75	75-76	BA Min.	BA Max.	MA Min.	MA Max.
Charlevoix	22.1	24.75	1	7	2	3
Tawas Area	20.25	20.3	11	6	12	8
Alcona	20.0	20.0	10	11	10	1
Crawford- AuSable	19.25	22.65	7	4	9	7
Onaway	19.04	20.04	4	10	1	11
Benzie County Central	18.455	20.455	3	3	4	6
Houghton Lake	18.4	18.6	8	8	5	9
Gerrish- Higgins	17.4	17.6	6	2	7	4
Whittemore- Prescott	17.0	25.0	5	1	6	2
Kalkaska Bd.	20.0	20.7	(9)	(9)	(11)	(10)
Kalkaska EA	20.0	20.7	(9)	(9)	(8)	(10)
Kalkaska EA/ with retire- ment	20.0	20.7	(2)	(5)	(3)	(5)

CHART J

OVERALL POSITION RANKING

	Millage 1975-76	Position Points
1. Charlevoix	24.75	13
2. Whittemore-Prescott	25.0	14
(3) Kalkaska EA + Ret.	20.7	(15)
4. Benzie County Central	20.455	16
5. Gerrish-Higgins	17.6	19
6. Onaway	20.04	25
7. Crawford-AuSable	22.65	27
8. Houghton Lake	18.6	30
9. Alcona	20.0	32
(10) Kalkaska EA	20.7	(36)
11. Tawas Area	20.3	37
(12) Kalkaska Board	20.7	(39)

CHART K - Board's Comparables (Exhibit 22(h))

ALL REGION II SCHOOLSBA Min.

	1974-75	1975-76	% Inc.
Alpena	9,064	10,278	13.4
Manistee	9,056	9,555	5.5
Twin Valley	9,030	9,689	7.3
Johannesburg-			
Lewiston	9,000	9,240	2.7
Benzie County	8,978	9,424	5.0
Gaylord	8,978	9,686	7.9
Charlevoix	8,970	9,687	8.0
Traverse City	8,925	9,602	7.6
Frankfort	8,820	9,261	5.0
Kaleva	8,820	9,450	7.1
Onkama	8,820	9,345	6.0
Mancelona	8,778	9,293	5.9
Elk Rapids	8,760	9,474	8.2
Whittemore	8,744	9,374	7.2
Atlanta	8,741	9,056	3.6
Gerrish	8,715	9,188	5.4
Glen Lake	8,715	9,083	4.2
Leland	8,677	9,111	5.0
Northport	8,610	9,213	7.0
Crawford	8,600	9,160	6.5
Lake City	8,600	9,450	9.9
Bear Lake	8,599	9,345	8.7
Bellaire	8,573	9,676	12.9
Houghton Lake	8,568	9,135	6.6
Mesick	8,550	9,240	8.1
McBain	8,507	9,017	6.0
Boyne Falls	8,500	8,925	5.0
Tawas Area	8,500	8,700	2.4
West Branch	8,500	9,010	6.0
Onaway	8,480	9,460	11.6
Alcona	8,400	8,925	6.3
Mackinaw City	8,400	8,400	-0-
Inland Lakes	8,300	8,768	5.6
Vanderbilt	8,300	8,600	3.6
Central Lake	8,250	9,091	10.2
Cheboygan	8,200	8,500	3.7
Wolverine	8,100	9,000	11.1
Manton	8,000	9,240	15.5
Kalkaska Board	8,400	8,950	6.5
Kalkaska EA	8,400	9,050	7.7
Kalkaska EA/with retirement	8,400	9,503	13.1

Average percent increase (excluding Kalkaska) = 6.62%

CHART L - Board's Comparables (Exhibit 22(h))

ALL REGION II SCHOOLSBA Max.

	1974-75	1975-76	% Inc.
Leland	14,753	15,491	5.0
Gerrish	14,470	14,943	3.3
Whittemore	14,145	15,163	7.2
Traverse City	14,070	15,110	7.4
Twin Valley	13,997	15,018	7.3
Benzie County	13,704	14,779	7.8
Manistee	13,585	14,524	6.9
Houghton Lake	13,346	14,385	7.8
Crawford	13,330	14,627	9.7
West Branch	13,300	14,098	6.0
Tawas Area	13,250	14,500	9.4
Frankfort	13,230	13,892	5.0
Kaleva	13,230	14,175	7.1
Charlevoix	13,131	14,445	10.0
Gaylord	13,092	14,189	8.4
Onkama	13,020	14,070	8.1
Glen Lake	12,915	13,965	8.1
Northport	12,915	13,819	7.0
Mesick	12,900	13,965	8.3
Atlanta	12,836	13,151	2.5
Elk Rapids	12,830	14,013	9.2
Mancelona	12,814	13,650	6.5
Cheboygan	12,800	13,200	3.1
Mackinaw City	12,740	13,240	3.9
Bellaire	12,671	13,768	8.7
Lake City	12,500	13,545	8.4
Bear Lake	12,383	14,254	15.1
McBain	12,350	13,348	8.1
Alpena	12,236	13,876	13.4
Inland Lakes	12,050	12,705	5.4
Manton	12,000	14,322	19.4
Alcona	11,928	12,674	6.3
Central Lake	11,922	12,947	8.6
Vanderbilt	11,600	12,450	7.3
Johannesburg-			
Lewiston	11,500	13,965	21.4
Boyne Falls	11,250	12,180	8.3
Onaway	11,055	13,036	17.9
Wolverine	10,100	11,000	8.9
Kalkaska Board	12,900	13,450	4.3
Kalkaska EA	12,900	13,901	7.8
Kalkaska EA/with retirement	12,900	14,596	13.1

Average percent increase (excluding Kalkaska) = 8.48%

CHART M - Board's Comparables (Exhibit 22(h))

ALL REGION II SCHOOLSMA Min.

	1974-75	1975-76	% Inc.
Alpena	9,970	11,306	13.4
Twin Valley	9,933	10,658	7.3
Benzie County	9,818	10,264	4.5
Charlevoix	9,673	10,446	8.0
Glen Lake	9,660	10,128	4.8
Manistee	9,634	10,185	5.7
Johannesburg- Lewiston	9,600	9,975	3.9
Gaylord	9,576	10,316	7.7
Traverse City	9,555	10,274	7.5
Frankfort	9,482	9,956	5.0
Onaway	9,480	10,660	12.4
Houghton Lake	9,461	10,128	7.0
Onekama	9,450	9,975	5.6
Mancelona	9,408	9,923	5.5
Elk Rapids	9,400	10,185	8.4
Whittemore	9,350	10,023	7.2
Gerrish	9,345	9,818	5.1
Leland	9,344	9,811	5.0
Atlanta	9,266	9,581	3.4
West Branch	9,265	9,821	6.0
Kaleva	9,240	9,870	6.8
Crawford	9,200	9,755	6.0
Northport	9,177	9,820	7.0
Alcona	9,156	9,728	6.2
Lake City	9,120	9,996	9.6
Central Lake	9,050	9,923	9.6
Mesick	9,050	9,870	9.1
Tawas Area	9,025	9,300	3.0
McBain	9,007	9,517	5.7
Boyne Falls	9,000	9,450	5.0
Inland Lakes	9,000	9,503	5.6
Bear Lake	8,970	9,870	10.0
Mackinaw City	8,900	8,900	-0-
Vanderbilt	8,900	9,200	3.4
Cheboygan	8,700	9,000	3.4
Wolverine	8,700	9,600	10.3
Bellaire	8,573	9,676	12.9
Manton	8,500	9,765	14.9
Kalkaska Board	9,100	9,650	6.0
Kalkaska EA	9,100	9,805	7.7
Kalkaska EA/with retirement	9,100	10,295	13.1

Average percent increase (excluding Kalkaska) = 6.89%

CHART N - Board's Comparables (Exhibit 22(h))

ALL REGION II SCHOOLSMA Max.

	1974-75	1975-76	% Inc.
Leland	16,349	17,166	5.0
Alpena	15,998	18,142	13.4
Traverse City	15,855	17,021	7.4
West Branch	15,615	16,552	6.0
Gerrish	15,541	16,014	3.0
Alcona	15,456	16,422	6.3
Whittemore	15,233	16,330	7.2
Manistee	14,932	15,990	7.1
Twin Valley	14,900	15,987	7.3
Kaleva	14,876	15,891	6.8
Charlevoix	14,650	16,114	10.0
Onekama	14,648	15,409	5.2
Benzie County	14,544	15,829	8.8
Bellaire	14,505	16,052	10.7
Cheboygan	14,500	14,990	3.4
Tawas Area	14,275	15,500	8.6
Crawford	14,260	15,651	9.8
Houghton Lake	14,238	15,278	7.3
Gaylord	14,165	15,435	9.0
Elk Rapids	14,020	15,221	8.6
Frankfort	13,892	14,587	4.9
Glen Lake	13,860	14,910	7.6
Northport	13,766	14,782	7.4
Mancelona	13,734	14,700	7.0
Wolverine	13,700	14,600	6.6
Bear Lake	13,442	15,225	13.3
Johannesburg -			
Lewiston	13,400	15,120	12.8
Mesick	13,400	14,595	8.9
Atlanta	13,335	13,676	2.6
Central Lake	13,325	14,751	10.7
Mackinaw City	13,240	13,740	3.8
Lake City	13,020	14,091	8.2
McBain	12,850	13,848	7.8
Inland Lakes	12,750	13,440	5.4
Boyne Falls	12,500	13,493	7.9
Manton	12,500	14,847	18.8
Onaway	12,255	14,236	16.2
Vanderbilt	12,200	13,040	6.9
Kalkaska Board	14,050	14,600	3.9
Kalkaska EA	14,050	15,145	7.8
Kalkaska EA/with retirement	14,050	15,898	13.2

Average percent increase (excluding Kalkaska) = 8.1%

CHART O - PERCENT INCREASES AT EXPERIENCE LEVELS

	Mill.	BA Min.	BA Max.	MA Min.	MA Max.
Alpena	28.0	13.4	13.4	13.4	13.4
Inland Lakes	27.0	5.6	5.4	5.6	5.4
Onekama	26.2	6.0	8.1	5.6	5.2
Twin Valley	25.2	7.3	7.3	7.3	7.3
Traverse City	25.0	7.6	7.4	7.5	7.4
Whittemore	25.0	7.2	7.2	7.2	7.2
West Branch	25.0	6.0	6.0	6.0	6.0
Charlevoix	24.75	8.0	10.0	8.0	10.0
Bear Lake	24.2	8.7	15.1	10.0	13.3
Bellaire	23.83	12.9	8.7	12.9	10.7
Central Lake	23.8	10.2	8.6	9.6	10.7
Vanderbilt	23.74	3.6	7.3	3.4	6.9
Frankfort	23.455	5.0	5.0	5.0	4.9
Boyne Falls	23.1	5.0	8.3	5.0	7.9
Mancelona	23.0	5.9	6.5	5.5	7.0
Manton	23.0	15.5	19.4	14.9	18.8
McBain	22.9	6.0	8.1	5.7	7.8
Crawford	22.65	6.5	9.7	6.0	9.8
Mesick	22.5	8.1	8.3	9.1	8.9
Manistee	22.1	5.5	6.9	5.7	7.1
Kaleva	22.2	7.1	7.1	6.8	6.8
Wolverine	22.0	11.1	8.9	10.3	6.6
Elk Rapids	21.83	8.2	9.2	8.4	8.6
Gaylord	21.5	7.9	8.4	7.7	9.0
Cheboygan	21.0	3.7	3.1	3.4	3.4
Benzie County	20.455	5.0	7.8	4.5	8.8
Tawas Area	20.3	2.4	9.4	3.0	8.6
Onaway	20.04	11.6	17.9	12.4	16.2
Alcona	20.0	6.3	6.3	6.2	6.3
Atlanta	19.75	3.6	2.5	3.4	2.6
Johannesburg - Lewiston	19.74	2.7	21.4	3.9	12.8
Northport	19.53	7.0	7.0	7.0	7.4
Lake County	19.0	9.9	8.4	9.6	8.2
Houghton Lake	18.6	6.6	7.8	7.0	7.3
Gerrish	17.6	5.4	3.3	5.1	3.0
Mackinaw City	17.0	-0-	3.9	-0-	3.8
Glen Lake	15.53	4.2	8.1	4.8	7.6
Leland	15.03	5.0	5.0	5.0	5.0
Kalkaska Board	20.7	6.5	4.3	6.0	3.9
Kalkaska EA	20.7	7.7	7.8	7.7	7.8
Kalkaska EA/with retirement	20.7	13.1	13.1	13.1	13.2
AVERAGE - excl. Kalkaska		6.6	8.5	6.9	8.1

CHART P - OPERATIONAL MILLAGE - POSITION RANKING - 1975-76

	Mill. 74-75	Mill. 75-76	BA Min.	BA Max.	MA Min.	MA Max.
Alpena	28.88	28.0	1	25	1	1
Inland Lakes	27.2	27.0	37	37	36	40
Onkama	25.95	26.2	15	18	15	18
Twin Valley	24.0	25.2	2	4	3	11
Traverse City	23.78	25.0	6	3	7	3
Whittemore	17.0	25.0	14	2	13	6
West Branch	25.0	25.0	32	17	23	4
Charlevoix	22.1	24.75	3	11	4	7
Bear Lake	23.95	24.2	15	14	20	20
Bellaire	23.83	23.83	5	27	31	8
Central Lake	23.44	23.8	27	36	18	28
Vanderbilt	20.5	23.74	39	39	39	41
Frankfort	23.455	23.455	18	24	17	33
Boyne Falls	21.2	23.1	35	40	37	39
Mancelona	22.0	23.0	17	28	18	29
Manton	17.0	23.0	19	13	28	26
McBain	21.0	22.9	31	31	35	36
Crawford	19.25	22.65	24	7	29	15
Mesick	22.5	22.5	19	20	20	32
Manistee	22.15	22.4	7	9	9	10
Kaleva	21.95	22.2	11	16	20	13
Wolverine	23.0	22.0	33	41	33	30
Elk Rapids	22.33	21.83	9	19	9	21
Gaylord	20.2	21.5	4	15	5	17
Cheboygan	20.0	21.0	40	33	40	24
Benzie County	18.455	20.455	13	6	8	14
Tawas Area	20.25	20.3	38	10	38	16
Onaway	19.04	20.04	10	35	2	34
Alcona	20.0	20.0	35	35	30	5
Atlanta	21.75	19.75	29	34	34	38
Johannesburg -						
Lewiston	19.5	19.74	19	20	15	23
Northport	17.09	19.53	22	26	24	27
Lake City	18.1	19.0	11	29	14	35
Houghton Lake	18.4	18.6	25	12	11	19
Gerrish	17.4	17.6	23	5	25	9
Mackinaw City	16.5	17.0	41	32	41	37
Glen Lake	20.53	15.53	28	20	11	25
Leland	15.53	15.03	26	1	26	2
Kalkaska Bd.	20.0	20.7	(34)	(30)	(32)	(30)
Kalkaska EA	20.0	20.7	(30)	(23)	(27)	(22)
Kalkaska EA/ with ret.	20.0	20.7	(8)	(8)	(6)	(12)

CHART Q - OPERATIONAL MILLAGE 1975-76 - RANKING ALL LEVELS

	Millage 1975-76	Position Points
1. Traverse City	25.0	19
2. Twin Valley	25.2	20
3. Charlevoix	24.75	25
4. Alpena	28.0	28
*(5) Kalkaska EA + Ret.	20.7	(34)
6. Whittemore	25.0	35
7. Manistee	22.4	35
8. Gaylord	21.5	41
9. Benzie County	20.455	41
10. Leland	15.03	55
11. Elk Rapids	21.83	58
12. Kaleva	22.2	60
13. Gerrish	17.6	64
14. Onekama	26.2	66
15. Houghton Lake	18.6	67
16. Bear Lake	24.2	69
17. Bellaire	23.83	71
18. Crawford	22.65	75
19. West Branch	25.0	76
20. Johannesburg-Lewiston	19.74	77
21. Onaway	20.04	81
22. Glen Lake	15.53	84
23. Manton	23.0	86
24. Lake City	19.0	89
25. Mesick	22.5	91
26. Frankfort	23.455	92
27. Mancelona	23.0	92
28. Northport	19.53	99
*(29) Kalkaska EA	20.7	(102)
30. Tawas Area	20.3	102
31. Alcona	20.0	108
32. Central Lake	23.8	109
*(33) Kalkaska Board	20.7	(126)
34. McBain	22.9	133
35. Atlanta	19.75	135
36. Wolverine	22.0	137
37. Cheboygan	21.0	137
38. Inland Lakes	27.0	150
39. Boyne Falls	23.1	151
40. Mackinaw City	17.0	151
41. Vanderbilt	23.74	158

*39 school districts are represented (Kalkaska being shown here three times). If the Association's full demand were to be met, Kalkaska would rank fifth overall; if its demand less retirement were met, it would rank 28th; and if the Board's proposal were adopted, Kalkaska would rank 31st out of 39.