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STATE OF MICHIGAN
DEPARTMENT OF LABOR
EMPLOYMENT RELATIONS COMMISSION

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In the Matter Of:

MICHIGAN FEDERATION OF TEACHERS

and

LAKE CITY BOARD OF EDUCATION

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MERC Fact Finding Case No.

G85-E-644

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OPINION OF FACT FINDER

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William J. McBrearty,
Fact Finder
349 Merriweather Road
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Lake City Public School

STATE OF MICHIGAN
DEPARTMENT OF LABOR
EMPLOYMENT RELATIONS COMMISSION

In the Matter Of:

MICHIGAN FEDERATION OF TEACHERS

MERC Fact Finding Case No.
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LAKE CITY BOARD OF EDUCATION

FACT FINDING REPORT AND RECOMMENDATION

The undersigned, William J. McBrearty, was appointed on February 11, 1986 by the Michigan Employment Relations Commission as its Fact Finder and Agent to conduct a fact finding hearing pursuant to Section 25 of Act 176 of Public Acts of 1939, as amended, and the Commission's Regulations and to issue a report with recommendations, with respect to the matters in dispute.

Hearing was held in Lake City, Michigan on February 27, 1986 at the Lake City School, Russell Street.

Briefs were filed March 13, 1986 by both sides.

Appearances

For Lake City Board of Education

For Michigan Federation of Teachers

Supt. Harold Burkholder
Betty Reisner, Board member
Jim Bartholomew, Board member
Don Hower, Negotiator
Rex Harley, Principal

Larry Collins, member of
Negotiating Board
Larry Zolinski, member of
Negotiating Board
Joe Crowell, Staff Rep. of
Federation
Jess Funzi, Chief Negotiator

Issues

The parties agreed that the issues to be resolved were teachers' salary increases, fringe benefits and language items. They disagreed on the questions of whether there were funds available to pay teacher requested salary increases and whether the requests were reasonable.

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Statement of Facts

There were no sworn witnesses at this hearing. Statements and arguments were made by various members of each side of this dispute, principally by Harold Burkholder and Joe Crowell.

The opening statements acquainted the fact finder with the Federation's position in this dispute and the Board's position.

Efforts, begun in 1985 to settle salary and fringe benefits of Lake City teachers having failed, the differences between the parties were submitted to a fact finder appointed by the Michigan Employment Relations Commission. The appointed fact finder (William J. McBrearty) was empowered to recommend answers to the questions involved.

The parties desire an amicable settlement of this not uncommon dispute. The main difference between the Federation (the petitioning party) and the Board of Education is salary.

The parties wish an advisory opinion-based on the facts and arguments submitted at the hearing and in their briefs. This opinion, (if unbiased), can be taken back to the negotiating table and, hopefully, settle issues which presently separate two groups, each serving the best interests of their members

There are no "good guys and bad guys" in this labor dispute. Each side serves its own best interests.

The Lake City Board of Education represents the public interests of their K-12 school district. It has a sworn duty to give Lake City taxpayers-students and parents-the best education that can be afforded.

Lake City teachers, ably represented by Michigan Federation of Teachers, have a duty to themselves and to their families to try to secure the best wage obtainable for their efforts. They have a duty to furnish their students the finest teaching that dedicated talents

and experience can give.

- To the point. 1. Are the teachers' demands reasonable?
2. If they are-is there sufficient revenue in the School Board's budget to meet their demands?

Both sides offered proofs on reasonableness and ability to pay the demands. These proofs included 35-40 pages of exhibits-comparisons between various school districts, (K-12 schools)-in towns and cities in this part of Michigan. The exhibits ranged from salary to various fringe benefits, from ISD millage rate per child to area school salary settlements, etc. etc. Examination of these exhibits convinced this fact finder that Lake City schoolteachers were the lowest paid in this geographical area. As a matter of fact, this was not seriously disputed.

The Board, in response to the teachers' demand of an 11% salary increase, offered 7.5% to "catch up with the others" (meaning other K-12 teachers in this area). However, the Board says we can't afford more, "that 7.5% is definitely the absolute limit of our affordability."

The Federation argues that funds are available because of the millage passed by the taxpayers of Lake City in October of 1985. The teachers' position is that the millage vote gave the Board \$249,364.00 (the difference between \$2,618,786.00 and \$2,369,422.00) increasing the Board's budget by 18.54%. And, say the teachers, part of this increase should go to us. Why? Because we were largely responsible for the passing of the millage tax. We called every voter in Lake City-urging the passage-in order that we could be paid the "average salary" of the teachers in this part of Michigan. We were told that if the millage passed, the Board would "make it right for us."

The Board has denied this "make it right" claim of the Federation. Regardless whether someone, with or without authority to make such a promise made it, is beside the point. Ability to pay is the issue. It can be reasonably be argued that when taxpayers increase their own taxes by voting in favor of higher millage-that this-if not a mandate to the Board of Education, is at least an approval by the taxpayers to bring the salaries of Lake City teachers up to the average of other teachers in this area.

The issues submitted here are not unique. As a matter of fact, almost the same issues were presented to this fact finder in Kaleva, Norman, Dickson Schools and Michigan Education Association, MERC Fact Finding Case No. G82-F-1459 in December 1982.

There are three differences. 1. N.D.D. was a final or binding fact finding case. 2. Lake City is not a binding fact finding case. 3. In N.D.K. efforts to increase millage were unsuccessful.

However, in both cases, similar evidence was introduced; comparable school districts, revenues, salaries, degree comparisons, S.E.V. per pupil statistics, athletic conferences salaries, I.S.D. millage rate revenue per child.

Both cases involved school districts in the same geographical areas of Michigan. Both are allegedly poor-with much unemployment, etc. In both cases, the defense to requests for increase of teachers' salaries was inability to pay.

In both cases teachers took voluntary salary freezes when previous efforts to increase millage tax failed. Since the school district in the Kaleva case relied upon local taxpayers for the 93% of the revenue required to operate their school systems, and since those taxpayers said "No" to a millage increase, this fact finder held that the

Kaleva Board of Education simply didn't have enough reserves in 1982-1983 (the school year in dispute) to pay out an increase in teacher salaries.

The proofs there showed a previous millage increase had failed in 1976, and this refusal by the taxpayers delayed the opening of their district schools until November, 1976.

In the instant case the fact finder is aware that Lake City Board of Education's 1985-1986 budget requires roof repair (\$73,000.00), new typewriters (\$52,000.00) and other "one-time expenditures." But as previously said, Lake City taxpayers have in effect, agreed that the teachers salaries must be increased by the Board to bring salaries up to teachers in near-by school districts.

Conclusion

To conclude, this fact finder finds that the demands of the Lake City's Federation of Teachers in this dispute are reasonable demands-that there are sufficient funds available to the Lake City Board of Education to meet those demands.

It follows from the above that this fact finder recommends that the Lake City Board of Education accept those demands.

Respectfully submitted,

W. J. McBrearty
William J. McBrearty
Fact Finder