

1485.

New Buffalo

① FF

Fact Finding  
New Buffalo <sup>Area</sup> Schools  
&  
New Buffalo Education Association

By Chernsky  
10-5-80

Pursuant to authorization issued by the Michigan Employment Relations Commission, a Fact Finding Hearing was conducted on Wednesday, Oct 1-1980 in the Court Room of Judge White, Circuit Court for Berrien County. At the request of the parties the Fact Finder agreed to expedite the hearing, & the ensuing opinion. Accordingly, this opinion will be brief, & will recount only the more significant facts that were developed at the hearing which commenced at 10 AM on Oct 1, & continued until 7 PM that evening. As a result of that

hearing, the following salient facts appeared:-

The New Buffalo <sup>Area</sup> School District is in a distressed financial position. The Board Tentative (and revised) budget dated 9-30-80

New Buffalo Area Schools

give evidence to this situation. While the Board has attempted, in this budget, to realistically convey their program for the coming year, two areas of possible over-optimism should be recognized. First there does not appear to be a realistic expectation that delinquent local taxes will be less than the 13.6% experienced in the prior year (79-80). The current state of the economy in the New Buffalo Area, & in the State of Michigan would indicate that the Board would be fortunate to experience a repeat of the 13.6% delinquency of the prior year. It should also be recognized that this is an item over which the Board has practically no control. A second area of concern is the total reduction of state aid.

and the potential 50% reduction in aid for transportation. The potential funds overstatement resulting from these two areas of concern could be as follows:

1). $13.6 - 12.0 = 1.6\% \times 1,735,168$ (local levy)	
	= 27763
2). Transportation $60,000 \times 50\%$	= <u>30000</u>
Total.	57763

A further area of concern is the argued position that the fund equity is spendable. While it is recognized that the fund equity does represent funds that will at some point in time become spendable, delinquent taxes, a major part of the fund equity, are not necessarily spendable at this time. With the potential that delinquent taxes will rise, the fund balances will have to keep pace to remain in a sound position.

While it is recognized that the decrease of seven teachers in the bargaining unit will free up funds, it must also be recognized that low seniority teachers are normally released, & high seniority, & higher paid teachers are retained in the normal situation.

Extensive discussion was not held on the state of the physical plant, but it is noted that the District has in excess of one million dollars in long term indebtedness and the physical plant should be considered for energy improvements, & the Board is pursuing other sources of funds for this purpose, some of these sources require that the Board supply matching dollars.

All in all the above data reflects a financially distressed school district.

An increase in teachers salaries, beyond that proposed by the Board and included in the budget (a 4.8% increase in base) for the next year<sup>(8081)</sup> in particular, would not necessarily place the fiscal agency in a deficit position, but it most certainly would place an extreme strain on cash flow, if delinquent taxes did not meet expectations, which are forecast optimistically, as pointed out above, & if the state support for transportation is reduced 5% as threatened.

On the other hand, it is recognized, from the data presented by both sides, that the teachers of New Buffalo have not fared too well, as compared with other contiguous, or similarly sized school

districts in the state of Michigan. There are two particular areas of concern. One is the "spread" of Michigan to Michigan indicates that the higher level (i.e. more experienced) teachers do not fare as well as those in other comparable districts. A second concern is represented in the fringe benefits area. Very few school districts in the state of Michigan offer a single benefit - i.e. B=100, with no life insurance, or any other form of benefit other than retirement, which is mandated by the State.

While the Board has offered a 4.8% increase in the base for 80-81, it will have extreme difficulty in its cash flow in the foreseeable future. It is recommended that this be raised to 5%

how about  
# of steps

and that the 5% figure be applicable to the base only, leaving the increments alone. For the 81-82 year the 6% - 9% Cota Capped figures appear to be equitable. However in view of the fact that about 50% of the teachers are at the top of their ~~scale~~ scale, for the 2<sup>nd</sup> & 3<sup>rd</sup> years of this contract, some form of recognition of 15 & 20 year teachers is urged, in the nature of a longevity payment of 2% & 2 1/2% respectively.

how about  
82-83?

With respect to the appendix B wage scale, for extra duty, - the cash flow problems of the District compel that no change be made in this schedule for the current year 80-81. It is noted that participation in these activities is Voluntary & *ex officio*

each teacher has the right to accept or reject these assignments. In the third year of the contract 82-83, it is recommended that Schedule B Salaries, be increased by the applicable COLA. This deluged effectuation should give the Board ample time to make appropriate adjustments in their budget, + also make determinations on whether, if any of these extra activities it can or cannot afford.

### Other Issues.

#### Agency Shop.

It was represented at the hearing that 57 of the 61 teachers are members of the union that represents this bargaining unit. While this figure was not challenged, it is noted that the Board is not in a

Byzinski 27

p. 8 - end of 1st. # - just above  
"Other Issues"

Fringe benefits are recommended  
as proposed by the Board

position to secure the data that could  
 traverse this fact. While the presence of  
 an agency shop clause appears to be  
 an emotional issue on both sides, the  
 fact remains that a vast preponderance of  
 school districts that have collective  
 bargaining agreements have some sort of  
 arrangement that requires a service  
 fee for the effort of the union in negotiations,  
 in grievance handling, etc. In this case  
 the following is recommended - that  
 for the duration of this year, the union present  
 to the Board those members who would  
 like to have dues deduction from their  
 payroll checks; that those nonmembers  
 be grandfathered (in other words) out of the  
 system, & their status maintained in

accordance with their desires. Next year  
 thereafter these specific individuals will  
 be exempted from joining, but thereafter new  
 members will be, at least, required to  
 pay a representation fee for the services that  
 the union renders.

### Personal Property Protection.

From the data presented at the  
 hearing, this issue does not appear to  
 be a real issue while several incidents  
 were reported in the past several years.  
 Each incident has been resolved by  
 administration or Board action. It is  
 recommended that rather than dictate  
 that each loss shall be reimbursed, it  
 is urged that language to the effect that  
 proven losses of personal property that

is essential to the Teachers performance in  
 clothes, or vehicles, (But excluding nonessentials  
 such as radios, work of art etc.) be not  
 unreasonably be withheld. This would  
 make judgements appealable to the  
 grievance procedure.

### Incllement Weather Language.

At issue in this area is whether  
 teachers would have to Report for work  
 on the third day (consecutive) in which  
 students are excused from coming to  
 school because of inclement weather.  
 The current <sup>offer by the Board</sup> practice is to allow 2 days  
 only, and the Union is requesting that  
 teachers be not required to report until  
 three consecutive days of inclement weather  
 is experienced. If the administrator has

to call off school for the reason that school cannot be held because of inclement weather, one cannot but wonder what the teachers are supposed to do if there are no children present. Consequently, the Union position is supported.

Elementary Preparation Time

In addition to the offer of the Board of language relating to elementary preparation time that is acceptable to the Union, the Union wants a guarantee that there be 250 minutes per ~~day~~<sup>week</sup> of preparation time. Currently, the elementary teacher has 250 minutes per day prep time plus 30 minutes each morning, 5 days per week, without student related duties, or a total of 150

minutes per week. As pointed out in the discussion relating to the economic issues, the Board trusts its work cut out for it in the period of the contract, to meet the financial impact of the recommendations contained herein, to further restrict the administration by such limitations that are related to prep time would represent an unwarranted limitation particularly when prep time + 150 minutes per week at 8 to 8.50 daily, would not be recommended. It is also noted that teachers now have a 40 minute duty free lunch period, which in the judgement of the writer, ought to be maintained.

### Personnel Business Days.

the Board's position is supported, & has been indicated as being acceptable by the union.

### Termination Pay.

In view of the financial straits of this Board, a complete revision of the termination pay is urged. The logic of paying self-terminated people for unused sick leave is not understood. It would seem that some form of termination pay related to unused sick leave for retirees, or to the estates of deceased employees would be appropriate. Further when teachers, tenured, are not renewed because of cut backs, some logic is presented. It is urged

that the above limitations be observed.

The Board's position is supported with respect to Article VIII - extra curricular activities - is supported with the understanding that the Board will endeavor to equitably rotate such assignments.

Respectfully Submitted

Gregory Bygones

10.5.80