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State of Michigan

Michigan Employment Relations Commission

Before

Gerald E. Granadier
Fact Finder

MICHIGAN DEPT.
LABOR AND INDUSTRIAL
RELATIONS LIBRARY

Pellston Public Schools
Employer

and

MERC Fact Finding
Case No. G83-I-1498

Northern Michigan Education Association

FACT FINDERS REPORT AND RECOMMENDATION

The undersigned, Gerald E. Granadier, under appointment as a Fact Finding Hearings Officer as of January 31, 1984, by The State of Michigan Department of Labor, Employment Relations Commission, to conduct a Fact Finding Hearing in the above cause, pursuant to Section 25 of Act 176 of Public Acts of 1939, as amended, and the Commissions Regulations in connection therewith, and to issue a report with recommendations with respect to the matters in disagreement between the above mentioned parties. In accordance therewith, hearings were commenced on April 23, 1984 at 207 E. Mitchell Street, Petoskey, Michigan.

Appearing for the Pellston Public Schools:

- Hugh E. Smyth, Superintendent
- Lee E. Stevens, High School Principal
- Michael J. Manor, Elementary School Principal

Pellston Public Schools

Gerald E. Granadier

Appearing for the Northern Michigan Education Association:

M. Kay Habits, MEA Uniserv Director

Karen Kosloskey, Bargaining Team Member

Melinda Spencley, Bargaining Team Member

June Passino, Bargaining Team Member

The parties were given every opportunity at the hearing to furnish all pertinent exhibits and introduce all pertinent testimony and information into evidence, in accordance therewith, exhibits in support of testimony by each of the parties were so submitted. The parties summarized their respective positions and set forth full oral and written arguments in connection therewith. At the request of the Fact Finder the parties were granted time to submit additional written evidence and arguments which was so received and is considered herewith. Accordingly, your Fact Finder being fully advised in the premises, reports as follows:

Background: The City of Pellston is a small city located in Emmet County in the northwestern portion of the lower peninsula of northern Michigan. Students are bussed to their respective schools from a wide geographical area necessitating a large expenditure of funds to acquire, maintain and service an adequately functioning bus system. The school district serves approximately 735 students in a K - 12 program. The taxpayers of the district have, albeit reluctantly, voted millage in the amount of 26.2 mills. While this has not been sufficient to run a luxurious educational program, the Board has been able to maintain the essentials of a good school system. It appears to your Fact Finder that the School Board of this District has exercised fiscal responsibility and integrity of

the highest order in its undertaking to carry out what it felt was its promises to the taxpayers of their community and in maintaining a School District which they feel meets the needs of a modern society. The Teachers in this District, on the other hand, likewise strongly feel that they have a commitment to the students of this District and appear to be constantly desirous of improving quality education in order to meet the needs of a modern society. With the obvious sincerity of each of the parties herein, the task of determining the recommendations as hereinafter set forth, was indeed a most difficult one.

Negotiations were commenced by the parties and while there is substantial agreement on many issues in their proposed contract for a period covering the school years 1983-1984, 1984-1985 and 1985-1986, and despite the efforts of a state mediator the parties were unable to conclude the agreement.

At the hearing it was determined that the Board's salary offer for the years 1984-1985 and 1985-1986 was contingent upon acceptance of its offer for 1983-1984. Since the Association did not accept the Board's offer for 1983-1984 your Fact Finder determined that the entire salary issue was unresolved for all three years of the proposed contract and that testimony and evidence should be so presented. The parties proceeded to so do and therefore the open issues are as follows:

- A. Salary schedule for the years 1983-1984, 1984-1985 and 1985-1986.
- B. Health Insurance premiums for the years 1984-1985 and 1985-1986.

Discussion and Decision

A. Salary Schedule

I. Board's Position

The Board's offer consisted of a salary freeze for the year 1983-1984 maintaining the 1982-1983 salary schedule as hereafter set forth and an increase of four percent (4%) for each of the additional two years of the contract, i.e. 1984-1985 and 1985-1986.

1982-83 SALARY SCHEDULE

STEP	BA	BA+20	MA	MA+15
1	13,985	14,285	14,985	15,385
2	14,656	14,956	15,656	16,056
3	15,326	15,626	16,326	16,726
4	15,999	16,299	16,999	17,399
5	16,669	16,969	17,669	18,069
6	17,340	17,640	18,340	18,740
7	18,012	18,312	19,012	19,412
8	18,683	18,983	19,683	20,083
9	19,354	19,654	20,354	20,754
10	20,025	20,325	21,025	21,425
11	20,696	20,996	21,696	22,096
12	21,418	21,718	22,418	22,818
15	22,018	22,318	23,018	23,418
20	22,618	22,918	23,618	24,018

II. Association's Position

The Association's demand consisted of a salary increase of four percent (4%) for each year of the proposed three-year contract as set forth in Association Exhibit 20 as follows:

1983-84 SALARY SCHEDULE

STEP	BA	BA+20	MA	MA+15
1	14,544	14,856	15,584	16,000
2	15,242	15,554	16,282	16,698
3	15,939	16,251	16,979	17,395
4	16,639	16,951	17,679	18,095
5	17,336	17,648	18,376	18,792
6	18,034	18,346	19,074	19,490
7	18,732	19,044	19,772	20,188
8	19,430	19,742	20,470	20,886
9	20,128	20,440	21,168	21,584
10	20,826	21,138	21,866	22,282

STEP	BA	BA+20	MA	MA+15
11	21,524	21,836	22,564	22,980
12	22,275	22,587	23,315	23,731
15	22,899	23,211	23,939	24,355
20	23,523	23,835	24,563	24,979

1984-85 SALARY SCHEDULE

STEP	BA	BA+20	MA	MA+15
1	15,126	15,451	16,208	16,640
2	15,852	16,176	16,934	17,366
3	16,577	16,901	17,658	18,091
4	17,305	17,629	18,386	18,819
5	18,029	18,354	19,111	19,543
6	18,755	19,079	19,837	20,269
7	19,482	19,806	20,563	20,996
8	20,208	20,532	21,289	21,722
9	20,933	21,258	22,015	22,448
10	21,659	21,984	22,741	23,173
11	22,385	22,709	23,466	23,899
12	23,166	23,490	24,247	24,680
15	23,815	24,139	24,896	25,329
20	24,464	24,788	25,545	25,978

1985-86 SALARY SCHEDULE

STEP	BA	BA+20	MA	MA+15
1	15,731	16,069	16,856	17,306
2	16,486	16,823	17,611	18,061
3	17,240	17,577	18,365	18,814
4	17,997	18,334	19,122	19,572
5	18,750	19,088	19,875	20,325
6	19,505	19,843	20,630	21,080
7	20,261	20,599	21,386	21,836
8	21,016	21,353	22,141	22,591
9	21,771	22,108	22,895	23,345
10	22,525	22,863	23,650	24,100
11	23,280	23,618	24,405	24,855
12	24,092	24,430	25,217	25,667
15	24,767	25,105	25,892	26,342
20	25,442	25,780	26,567	27,017

Each of the parties herein presented considerable evidence in an excellent and well prepared presentation to substantiate the proposed salary schedules as submitted by them. Unquestionably, meritorious argument for each of the salary schedules was made, and each of the

parties, in the opinion of the Fact Finder, strongly believed in the inherent justice of their positions. Affirmative evidence in support of their positions was received and considered by the Fact Finder.

Your Fact Finder has been provided the ranking of the School Districts according to salaries schedules and estimated cost schedules indicating the cost to the district of the Board's offer and the Union demand. Considerable time and detail, relating to the ability of the school district to pay the demand of the Association or the offer of the Board. All of this information, analysis, evidence, and information was extremely helpful to your Fact Finder. Sincere argument and discussion for each of the salary schedules offers and demands were made by each of the parties, and in the opinion of the Fact Finder, each strongly believed in the inherent justice of their position.

In considering all the foregoing, digesting all of the information supplied to your Fact Finder, both in writing, orally, exhibits, financial documents and other matters, your Fact Finder rejects the position of the Association with respect to salary demands, rejects the salary schedule offered by the Board, and recommends that the following pay schedule be adopted by the parties:

SALARY SCHEDULE

1983-1984

STEP	BA	BA+20	MA	MA+15
1	14,334	14,642	15,359	15,769
2	15,022	15,329	16,047	16,457
3	15,709	16,016	16,735	17,144
4	16,398	16,706	17,423	17,833
5	17,085	17,393	18,110	18,520
6	17,773	18,081	18,798	19,208
7	18,462	18,769	19,487	19,897
8	19,150	19,457	20,175	20,585

STEP	BA	BA+20	MA	MA+15
9	19,837	20,145	20,862	21,272
10	20,525	20,833	21,550	21,960
11	21,213	21,520	22,238	22,648
12	21,953	22,260	22,978	23,388
15	22,568	22,875	23,593	24,003
20	23,183	23,490	24,208	24,618

1984-1985

STEP	BA	BA+20	MA	MA+15
1	14,836	15,154	15,897	16,321
2	15,548	15,866	16,609	17,033
3	16,258	16,577	17,319	17,744
4	16,972	17,291	18,033	18,458
5	17,683	18,001	18,744	19,168
6	18,395	18,713	19,456	19,880
7	19,108	19,426	20,169	20,593
8	19,820	20,138	20,881	21,305
9	20,532	20,850	21,593	22,017
10	21,244	21,562	22,304	22,729
11	21,955	22,274	23,016	23,441
12	22,721	23,040	23,782	24,207
15	23,358	23,676	24,419	24,843
20	23,994	24,313	25,055	25,480

1985-1986

STEP	BA	BA+20	MA	MA+15
1	15,429	15,760	16,533	16,974
2	16,170	16,501	17,273	17,714
3	16,909	17,240	18,012	18,453
4	17,651	17,982	18,755	19,196
5	18,391	18,722	19,494	19,935
6	19,131	19,462	20,234	20,676
7	19,872	20,203	20,976	21,417
8	20,613	20,944	21,716	22,157
9	21,353	21,684	22,456	22,898
10	22,093	22,424	23,197	23,638
11	22,834	23,165	23,937	24,378
12	23,630	23,961	24,734	25,175
15	24,292	24,623	25,395	25,837
20	24,954	25,285	26,057	26,499

B. HEALTH INSURANCE PREMIUMS

I. Board's Position

The Board shall provide without cost to the employee, MESSA Super Med 2 protection for a full twelve-month period for the employee's

entire family during the 1983-84 contract.

During the 1984-85 contract the Board shall provide the same health coverage but any increase in premiums shall be paid seventy-five percent (75%) by Board and twenty-five percent (25%) by employee.

During the 1985-86 contract the Board shall provide the same health coverage. Any increase over the 1984-85 full premium rates will be split with the Board paying fifty percent (50%) and the employee paying fifty percent (50%) of the increase.

The Board shall provide each bargaining unit member who elects not to pay the twenty-five percent (25%) and fifty percent (50%) 1984-85 and 1985-86 MESSA Super Med II premium increase(s) with full family MESSA Super Med I without cost to the bargaining unit member.

II. Association Position

The Board shall provide without cost to the employee, MESSA Super Med 2 protection for a full twelve-month period for the employee's entire family during the 1983-84, 1984-85, and 1985-86 years.

The Board provided your Fact Finder with evidence and presented testimony relative to the substantial increases in premium costs it had experienced during the term of the preceding labor agreement. These increases in costs were, in your Fact Finder's opinion, not controverted by Association evidence or testimony.

The Association presented considerable evidence and testimony comparing the coverages provided in comparable school districts. It is apparent to your Fact Finder that MESSA Super Med II is the prevailing coverage provided in such other districts.

There is, in your Fact Finder's opinion, considerable merit, in light of the substantial increases in costs of health insurance,

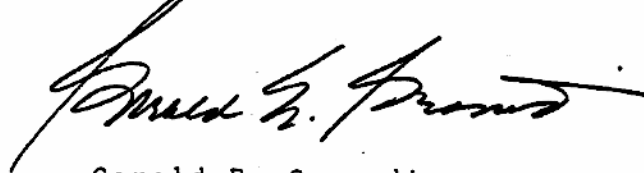
and further in light of the school district's limitation of funds, in attempting to find a solution to the rising costs. Your Fact Finder, however, rejects the solution offered by the Board, i.e. sharing increases with the employees or in the alternative decreasing coverages to MESSA Super Med I. Such a solution would seem to penalize the employee who does not abuse the health insurance. It is an employee who abuses the insurance that ultimately drives up the costs. A better solution would appear to be providing identical coverage, whether with MESSA or another carrier, but with a small deductible. Insurance with a deductible is historically less costly. Accordingly your Fact Finder recommends that for the year 1983-1984 the current MESSA Super Med II be maintained with full cost paid by the Board.

For the school years 1984-1985 and 1985-1986 your Fact Finder recommends that identical coverage be obtained, either with MESSA or another carrier, with a small deductible, with the full cost of such insurance paid by the Board. It is suggested that the deductible be no greater than \$100.00 per year for family coverage and no greater than \$50.00 per year for single subscriber coverage.

Conclusion

The Fact Finder Hearings Officer points out that the issues discussed in this report were all the major issues submitted by the parties to the Fact Finder. It is my sincere hope that upon adoption of the recommendations herein above set forth that parties can conclude their collective bargaining negotiations. In the event additional service of your Fact Finder is required, I stand ready to be of continued service.

Respectfully submitted

A handwritten signature in dark ink, appearing to read "Gerald E. Granadier", with a stylized flourish at the end.

DATED: May 24, 1984

Gerald E. Granadier
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