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FF 8/30/04 Cushman, Edward &

## STATE OF MICHIGAN DEPARTMENT OF LABOR EMPLOYMENT RELATIONS COMMISSION

## REPORT OF FACT FINDER

Mediation Case No. D 8 4 F 2133

## In the Matter of:

Taylor School District 23033 Northline Road Taylor, Michigan 48180

and

Taylor Federation of Teachers 22770 Northline Road Taylor, Michigan 48180

## Background

The Taylor School District (hereafter referred to as "The District") and the Taylor Federation of Teachers (hereafter referred to as "The Federation") selected Edward L. Cushman to serve as the Fact Finder in the above-captioned case after Mediator Thomas V. Badoud certified that their negotiations had reached impasse and the Commission provided a list of fact-finders from their approved panel from which list the selection was made.

The Fact Finder held an initial meeting with representatives of the parties on Monday, August 27, 1984 and a subsequent meeting on Wednesday, August 29, 1984. The parties asked for expedited fact-finding since classes are scheduled to begin for the fall term on Tuesday, September 4, 1984.

On Wednesday, August 29, 1984 the parties reported that seven of the nine issues identified in the Petition for Fact Finding have been resolved through negotiations held the previous day.

The Fact Finder was asked to assist the parties in reaching agreement serving as mediator with respect to the two remaining issues listed on the petition as Item 1, Salary, and Item 5, Equal percent layoff provision.

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The Fact Finder was impressed with the obviously sincere efforts at good-faith bargaining by the parties. It became clear both in separate sessions with each side and in joint sessions that the parties had presented the facts and the arguments for their respective positions quite fully to each other but despite understanding of the different positions were unable to reach agreement.

The parties, therefore, presented their positions and reasons therefore to the Fact Finder for his conclusions and recommendations which are not binding on the parties. These are the findings and recommendations of the Fact Finder:

1) With respect to salaries, the Federation argued that the teachers in the Taylor School District after two years without salary increases are now among the lowest paid in Wayne County (32 of 35 in 1983-84) and in the Tri-County area (69 of 81) from having been 20th of 30 in Wayne County in 1979-80 and 22nd of 79 in the Tri-County area that same year. Equity demands that Taylor teachers should be paid at least the average for similar Wayne County school districts in the Federation's opinion. In an effort to reach agreement and to take a step toward greater fairness the Federation reduced its request for a 10% increase in each of these years to 8% and as a final position to 6%.

The District's offer of 3% for the first year and 5% for the second year had been increased to provide a one-time payment equivalent to 2%. This payment would not be rolled into the teacher's base salary. The District's offer is related to the change in practice from a work day of six hours and ten minutes to a work day of six hours and forty-five minutes.

It is agreed between the parties that a mutual objective should be to have teacher compensation for Taylor teachers be in line with the average for similar school districts in Wayne County. Representatives of the District presented

the revenue and expenditure budgets for 1984-85, 1985-86, and 1986-87. These budgets incorporated the District's offer with no salary increase for 1986-87. Although the bottom line shows black ink of \$890,000 for 1984-85, 1985-86 would be in the red for \$9500, and for 1986-87 for \$1,217,000. The assumptions on which the forecasts are based are that the bonds dealing with the operating deficits of the past are sold, the state increase of \$28 per student for this year will be continued as will the formula increase of \$3 per mill per student and that the millage renewal of 15 mills passes in June, 1985. It further assumes that one elementary and one junior high school will be closed in 1986-87.

In view of their bleak outlook and the uncertainties surrounding the assumptions the District believes that its offer is a responsible one reaching to secure agreement and to respond to the legitimate request for compensation improvements for the teachers in the District. Because of the financial outlook described above the District is unwilling to offer more.

Unfortunately time has not permitted as detailed financial analysis as the Fact Finder would have liked. Based on the information available to him the Fact Finder recommends that a two-year agreement would serve the best interests of the parties and the community, providing greater flexibility when the future will be more predictable. The Fact Finder recommends that the 1984-85 salary increase be 3% plus the 2% one-time payment and that the 1985-86 salary increase be 6%. Although the second year would be 1% more than offered by the District the delay until that time provides the District with the opportunity to plan and take steps to reorder priorities, increase efficiency, etc. to enable a balanced budget for that year. It is also less expensive than rolling in the 2% as part of the base salary as requested by the Federation.

Given the financial condition and the improved administration competence of the District the parties should be able to reach agreement with these recommendations which should provide the foundation for further cooperation in dealing with their

problems and opportunities.

The remaining issue is the desire of the District to eliminate the provision requiring: "Any reduction of teachers will result in an equal percentage decrease of all personnel." The District argues that decreased need for teachers is related to the number of students but that support personnel are not so related. That the Federation recognizes merit to the agreement is evidenced by their reluctant willingness to accept such reductions up to 1%, while the District in its efforts to reach agreement through negotiations is willing to continue the provision provided there is flexibility up to 3%. Mediators and Fact Finders are often charged with "splitting the difference." Without having the time to secure the information which might lead to a different conclusion, the Fact Finder recommends that the parties agree on 2%. Experience during the proposed two-year agreement will provide the parties with the basis for review at the end of that time.

Signed this 30th day of August, 1984,

Edward L, Cushman

Fact Finder