

MICHIGAN EMPLOYMENT RELATIONS COMMISSION

IN THE MATTER OF:

WILLIAMSTON COMMUNITY SCHOOLS

-and-

INTERNATIONAL UNION OF OPERATING
ENGINEERS, LOCAL 547Richard Kanner

APPEARANCES:

FOR WILLIAMSTON COMMUNITY SCHOOLS: Mr. David Disler,
Business ManagerFOR THE UNION: Mr. Robert Inman,
Business Representative

Pursuant to request by the Union, the undersigned was appointed Fact Finder by the Michigan Employment Relations Commission on September 13, 1977. Hearing was held on December 2, 1977. The issues in dispute are as hereinafter set forth and discussed.

The bargaining unit includes 17 regularly scheduled school bus drivers. The subject dispute involves agreement on the first collective bargaining agreement between the parties for fiscal year September 1, 1977 through August 30, 1978.

ARTICLE XIX.
INSURANCE PROTECTION
SUBSECTION 1. HOSPITALIZATION INSURANCE

The Employer currently pays \$35.00 per month towards the cost of either the hospitalization insurance, or the employee may elect

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to have the Board pay this same amount towards other insurance benefits that would be available through the school district.

The Employer has offered to increase this amount to \$37.58 per month, amounting to \$450.96 per year.

THE UNION'S DEMAND IS AS FOLLOWS:

The Board shall pay the full cost of either the Blue Cross-Blue Shield MVF-1 Semi-Private or the MESSA Super Medical I Hospitalization Insurance for the employee and their dependents, provided they are not covered by another carrier (cost \$1,200.00 per year).

In the event that the employee is not eligible for the hospitalization insurance benefits, such employee may elect to choose any other insurance benefits which are available through the school district, with the Board to pay up to \$45.00 per month (\$540.00 per year) towards the cost of such benefits for all such employees.

DISCUSSION AND OPINION

The Union submitted evidence of four other comparable school districts that, in fiscal year 1976-77, contributed in excess of the \$450.96 per year offer of the Employer. (Union Exhibit 1)

The median contribution is denoted thereon as \$576.50 per year.

The Employer submitted evidence of four other comparable school districts that, in fiscal year 1977-78, contributed nothing towards such benefits. (Employer Exhibit 1) Two other school districts, Fowlerville and Leslie, contributed \$1,152 and \$1,032, respectively. One district, Haslett, contributed \$694.00 per year. Both the Union and Employer agree that only five out of the seventeen employees would be eligible for such benefit at a cost of \$1,200.00 per year per employee. The cost of the \$45.00 per month benefit for non-eligible employees is \$540.00 per year per employee.

CONCLUSION

The Union offer is approximately twice the median contributed by evidence of its own four comparable cities. Considering that the Employer's comparables denote four out of seven districts contribute nothing, the Fact Finder concludes that a fair contribution to hospitalization insurance for each of the eligible employees would be \$500.00 per year.

As to the Employer's contribution to those employees not eligible for the district's hospital insurance plan, the Fact Finder recommends an increase to \$40.00 per month toward other insurance benefits.

SCHEDULE A
SALARY SCHEDULE

The employees are currently paid at the rate of \$5.67 per run.

The Employer has offered to increase this amount to \$5.72 per run (.8% increase), plus pay the employee's 5% retirement.

The Union is requesting that this rate be increased to \$6.20 per run (9.3% increase), plus pay the employee's 5% retirement.

The Unions comparables denote 19 school districts having a median rate of \$6.18 per hour. Its per run offer transposed to an hourly rate equals \$5.70 per hour. The Employer's per run offer of \$5.72 also translates to \$5.70 per hour because of variance in the length of time to complete various runs.

DISCUSSION AND OPINION

While the District's .8% offer appears inordinately low, it argues that by adding its 5% contribution to the employees' pension plan, the effective increase is 7%.¹

It appears that by law effective July 1, 1977, the Employer must pay the 5% formerly contributed by the employee to the pension plan.

¹ 6.2% represents the effective increase based upon the Employer's 5% pension contribution plus .8% wage increase. (Employer Exhibit 1, Page 8)

The Union argues that such contribution is not a negotiated wage increase, but rather a legally mandated wage increase. Therefore, the Employer should not be given credit for such expenditure. The Fact Finder cannot agree. Whether mandated by law or negotiated, the said 5% contribution by the Employer, in fact, amounts to an increase in the employees' take home pay and costs the Employer an equal amount. As such, it has to be considered by the Fact Finder as a real and practical benefit to the employee in fiscal year 1977-78.

It is noted that the Union's comparables denoting a median hourly wage of \$6.18 is for 1976-77. It may be realistically surmised that additional wage increases will be achieved in 1977-78.

The Employer also submitted seven comparables, four of which were included in the Union's Exhibit 1. However, the Employer's comparables were partly designated by hourly wages and partly by daily runs. Therefore, it is impossible to glean a median hourly rate to compare with the Union's comparables. However, since four of the Employer's comparables were included in the Union's exhibit, and such Exhibit encompassed a number of school districts, the Fact Finder will accept the Union's \$6.18 hourly figure as a fact.

While the parties agree that both these respective per run offers, i.e., the Union's \$6.20 per run and the Employer's \$5.72 per run, amounted to approximately the same \$5.70 per hourly rate, the cost of both offers obviously vary. This is for the reason,

as afore stated, that the runs vary as to length of time. The cost differential between the two offers amounts to \$7,297.92. (Employer Exhibit 1, Page 10)

The Fact Finder is persuaded that the per hour median figure has no real efficacy in view of such cost differential. A correct analysis of comparables should compare per run cost not per hour cost.

A further fact was adduced to the effect that the Employer's teacher aides, cooks, and teachers received a 6-1/2% increase in 1977-78 and secretaries and administrators a 7% increase. These increases were over and above the 5% Employer's pension contribution. The maintenance and mechanical personnel received a 14% increase, but such large increase was achieved by way of "catch up" for prior low wage rates. The custodians only received 1-1/2% increase plus the 5% pension contribution.

CONCLUSION

The Fact Finder is impressed by the fact that the Employer was able to give 6% - 7% increases to most of its employees notwithstanding the additional 5% pension contribution. Employees within the district should be treated as nearly equal as possible given consideration to variance in duties and responsibilities between classifications. An the other hand, a 9.3% increase demanded by the Union appears inordinately high. Considering the increases

to a good portion of their fellow employees, but also considering the legal 5% windfall increase and attendant cost to the Employer, the Fact Finder concludes that a fair increase to the bargaining unit should amount to \$5.93 per run. Such additional \$0.26 increase amounts to 4.6%, falling somewhat between the 6-1/2% increase and the 1-1/2% increase given to most other employees in the District.

ARTICLE XX.

GENERAL

SECTION 8. BUS CERTIFICATION TESTS.

The Employer currently pays \$5.67 per hour for six (6) hours per day and \$3.68 per hour for written, oral, and road competency tests as required by the State of Michigan to all employees who attend the annual Bus Drivers School.

The Employer has offered to increase these amounts to \$5.71 and \$3.73 per hour.

The Union feels that those rates should be increased to \$6.20 per hour and \$4.20 per hour.

CONCLUSION

The Fact Finder concludes that the Employer pay \$5.93 per hour for the bus certification test and \$3.97 for written, oral and road competency tests.

SECTION 14. ST. MARYS AND LUTHERAN PICKUPS

The employees currently receive no compensation for these runs.

The Employer has offered no compensation for these runs.

The Union is requesting that these runs be paid at the rate of \$3.00 per trip.

OPINION AND CONCLUSION

Both parties agree that there are presently no Lutheran pickups. The Fact Finder is persuaded by the Union argument that the St. Mary's run is actually an extra duty for the two drivers. Therefore, they should be paid \$3.00 per trip relative to the St. Mary's run.

SECTION 20. EXTRA TRIP PAY.

The employees are currently paid \$3.68 per hour for all extra trips.

The Employer has offered to increase this amount to \$3.73 per hour.

The Union is requesting that this amount be increased to \$4.20 per hour.

SECTION 21. KINDERGARTEN RUNS.

The employees are currently paid \$9.64 for each kindergarten run.

The Employer has offered to increase this amount to \$9.69 per run.

The Union is requesting that these runs be paid at the rate of \$10.90.

SECTION 22. BAND RUNS

The positions of the parties and the rates of pay are the same as for the kindergarten runs.

OPINION AND CONCLUSION

In view of the above awards, the Fact Finder recommends that the Employer's offers in connection with above Subsection 20, 21, and 22 be accepted.



Richard L. Kanner
Fact Finder

DATED: January 3, 1978