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STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
MICHIGAN EMPLOYMENT RELATIONS COMMISSION

FACT FINDING

In the Matter of the Fact Finding Between:

LENAWEE COUNTY
MAURICE SPEAR CAMPUS

—and—

MERC Case No: L05 B—8009

THE GOVERNMENTAL EMPLOYEES
LABOR COUNCIL

FACT FINDER: Betty R. Widgeon
FINDINGS OF FACT AND RECOMMENDATIONS
Based on Briefs Submitted by Parties

APPEARANCES VIA BRIEFS

For Lenawee County
Maurice Spear Campus:
David Gunsberg, Attorney

For The Governmental
Employees Labor Council:
Thomas Zulch, Attorney
Duane Smith, Labor Rep

REPORT

The Maurice Spear Campus Bargaining Unit of 35 includes all employees of the Maurice Spear Campus, excluding clerical, confidential, other part-time, temporary, work study, seasonal and supervisory employees. The contract between the parties limits the issues to a reopener for the fiscal year that runs from January 1, 2005 until December 31, 2006. It calls for the reopener to address wages and health insurance only. A one-half day mediation occurred on May 18, 2005. The

Employer's offer to settle the contract reopener for the calendar year 2005 was not ratified by the Union. A petition for fact finding was filed on June 2, 2005 by the Governmental Employees Labor Council. Pursuant to Public Act 176 of 1939, the Michigan Employment Relations Commission appointed the undersigned as the Fact Finder in this matter.

The only remaining issue for fact finding is wages. The Employer offers a 3% across the board wage increase effective January 1, 2005. The Union offers a 3% across the board wage increase effective January 1, 2005 and an additional 1% wage increase across the board effective December 31, 2005.

Comparables

The Union proposed internal comparables of the County including, the Lenawee County Circuit Court, the Lenawee County District Court, the Lenawee County Probate Court, the Lenawee County Sheriff's non-command group, and the Lenawee County Sheriff's supervisory group—arguing that all these employees and their wages and benefits are directly affected by the same economic conditions currently being experienced by the employer, including budgetary concerns, taxable value adjustments and the overall ability of the employer to meet union bargaining demands.

The Employer proposed no internal comparables but, as to the Courts, asserts that the individual Judges are the "legal" employers of

their respective employees, and as such, the Court employees and the Maurice Spear Campus employees are not employed by the same employer. As to the Sheriff Department employees, the Employer argues that they are not comparable in that their wages and fringe benefits are subject to, and in some cases have been established by, Act 312 arbitration. The Employer further contends that there is no comparability with regard to duties and responsibilities, pay, skill, or bargaining methodology between the Sheriff Department employees and the Maurice Spear Campus employees, in that the terms and conditions of the former are subject to binding arbitration.

The Union initially proposed a dozen counties as external comparables. At the Fact Finder's request, it pared the list down to the following five: Allegan, Bay, Calhoun, Eaton, and Midland. In support of these, the Union points out that this same Union and Employer have previously stipulated to a larger list of comparable communities in the very recent past, which includes Union's five proposed comparables. That list was established by the parties based on widely accepted demographic factors in determining comparability. Moreover, Union these five meet the principal criteria used by the parties, historically, of population and taxable value between 50 and 150 percent of the subject county.

The Employer submitted no external comparables, challenging that there are, in fact, no "comparables" to the Employer in the youth home business. That is, there is no County of similar size with similar

tax revenues providing a comparable youth home facility, i.e. 60 beds including 20 detention beds, such as the Maurice Spear Campus.

Budgetary Considerations

The Employer submits that the additional 1% sought by the Union should not be granted because the Maurice Spear Campus is a deficit operation which is already being subsidized by Lenawee County in excess of the amount required by law. Under State Law, a County youth home facility is supposed to be funded 50% from state funds and 50% by county funds. In 2005, the State of Michigan contributed less than 50% of the funds necessary to support Maurice Spear Campus. In 2005, Lenawee County incurred a budget deficit (after accounting for lost state matching funds and required advanced tax revenue collections), of approximately \$2.5 million. The Union submits that the 1% increase is negligible in Lenawee County's overall budget and will not impose any hardship upon the County. In its response to the Employer's last offer, the Union states that one of the reasons the offer was not ratified was a newspaper article "declaring that Lenawee County had record cash reserves". No further information was submitted by either side to either substantiate or refute this allegation. In 2005 reopener negotiations, the Courts' bargaining units negotiated for a 3 % wage increase effective January 1, 2005 and an additional 1% wage increase effective September 1, 2005. All of the other comparables pay their youth home employees

more than Lenawee County, including Bay County, which has a lower taxable value.

RECOMMENDATION

The statutory purpose of fact finding is to facilitate a settlement. In evaluating the positions of the parties, the Fact Finder found it valuable to make use of the criteria used by arbitrators in Act 312 cases. In this instance, the Fact Finder was limited in the scope of her analysis given that the parties requested that the **recommendation** be made based solely the parties written submissions.

The Fact Finder resolved the question of comparables, in part, by delving into and examining standards which have traditionally been considered and adopted by the parties. The three Courts (Probate, District, & Circuit) were the comparables raised by Union during contract negotiations. Moreover, in the past, the County has been identified by both parties as the employer of both the courts and the Maurice Spear Campus. Giving weight to this record of the parties' past adoptions, the Fact Finder viewed the Courts as appropriate comparables and evaluated them as such, in relation to the Maurice Spear Campus employees. In like manner, given the prior accepted convention between the parties that comparable counties are appropriately considered if they are within a plus or minus fifty (50%) of the target community's population and taxable value, and that Union's five comparables fall within this accepted range, the Fact Finder recognized these counties as

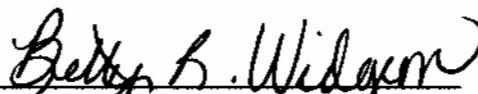
comparable to Lenawee County and evaluated the data regarding them as such.

Correlating that data with the limited specifics presented on the criteria of ability to pay, and upon considering general factors normally used in collective bargaining—the Fact Finder makes the following **recommendation:**

- That the employees receive an the additional 1% pay increase sought by the bargaining unit in the year 2005, in more conformity with similar workers in comparable jurisdictions

Respectfully submitted,

June 12, 2006


Betty R. Widgeon, Fact Finder