

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

MICHIGAN EMPLOYMENT RELATIONS COMMISSION

BUREAU OF EMPLOYMENT RELATIONS

---

**PETITIONING PARTY:**

GROSSE POINTE LIBRARIANS ASSOCIATION  
and GROSSE POINTE LIBRARY SUPPORT  
PERSONNEL ASSOCIATION

and

**RESPONDING PARTY:**

GROSSE POINTE PUBLIC LIBRARY

MERC CASE NO.: D17 F-0680 and D17 F-0681

**FACT FINDER'S REPORT**

Pursuant to Michigan Labor Mediation Act (P.A. 176 of 1939 as amended)  
[MCL 423.1, et seq], and  
Public Employment Relations Act (P.A. 336 of 1947 as amended)  
[MCL 423.201, et seq]

**Fact Finder**

George T. Roumell, Jr.

**Advocates**

Employer Advocate: Steven H. Schwartz, Esq.

Union Advocate: Freya B. Weberman, MEA Uniserv Director

PETITION(S) FILED: July 21, 2017

PANEL CHAIR APPOINTED: July 31, 2017

SCHEDULING CONFERENCE HELD: By phone - September 20, 2017

HEARING DATE(S) HELD: October 4 and 18, 2017

REPORT ISSUED: November 16, 2017

RECEIVED  
2017 NOV 21 PM 4:13  
STATE OF MICHIGAN  
EMPLOYMENT RELATIONS COMM.  
DETROIT OFFICE

**TABLE OF CONTENTS**

1. Introduction and Background ..... 2

2. Statutory Criteria ..... 4

3. Stipulations and Preliminary Rulings ..... 6

4. Issues before the Panel

    A. Insurance ..... 6

    B. Insurance Waiver ..... 14

    C. Wages ..... 16

    D. Severance Benefit ..... 21

    E. Long-Term Disability ..... 23

    F. Unit Sick Bank - Short-Term Disability Plan ..... 24

    G. Miscellaneous ..... 25

5. Summary of Recommendations ..... 28

**WITNESS LIST**

1. Ruth Beier
2. Jill M. Nowicki
3. Joseph Firestone
4. Heather Scott
5. Mark Tyler
6. John Clexton
7. Lynne Severni
8. Danis Houser
9. Craig Culver

**1. INTRODUCTION AND BACKGROUND**

The Grosse Pointe Public Library was established by the Grosse Pointe School District serving six communities, namely, Grosse Pointe Park, the City of Grosse Pointe, Grosse Pointe Farms, Grosse Pointe Shores, Grosse Pointe Woods and Harper Woods. The Library operates three facilities. The Central Branch is located at Fisher and Kercheval Avenues in the City of Grosse Pointe. The Woods Branch is located adjacent to Parcels Middle School at Mack and Vernier in Grosse Pointe Woods. The Ted Ewald Memorial Branch is located in Grosse Pointe Park.

There are two bargaining units of employees of the Library represented by the Michigan Education Association. The Grosse Pointe Librarians Association constitutes a unit involving all professional librarians, excluding the Director, the Supervisor of Reference and Public Service, the computer and Network Specialist and substitutes. There are 16 employees in the Librarians Unit, namely, 12 full-time and four part-time employees.

The Grosse Pointe Library Support Personnel Association represents “all clerks, circulation staff and maintenance staff, employed on a full or part-time basis (excluding all substitutes, student assistants, temporary employees, all part-time employees assigned to work less than half of a full schedule, all confidential employees, Public Library Finance Coordinator, supervisory and administrative personnel”.

The testimony suggests that there are 18 individuals in the Support Personnel Unit – 12 being full-time and six being part-time.<sup>1</sup>

The Grosse Pointe Public Library Board of Trustees had entered into two separate contracts covering the period July 1, 2011 - June 30, 2013 with a Grosse Pointe Librarians Association and the Grosse Pointe Library Support Personnel Association, respectively. As to each Association, the Library entered into an extension agreement extending the July 1, 2011 - June 30, 2013 contracts through June 30, 2017 with certain adjustments.

Prior to the expiration of the extension agreements, June 30, 2017, the parties engaged in negotiating for successor agreements for both bargaining units.

The parties were not able to reach agreement. On July 6, 2017 and on July 18, 2017 both units engaged in mediation with the Library conducted by a State Mediator. This mediation did not result in agreement. As a result, both Units filed separate Petitions on July 21, 2017, signed by Freya Weberman, Executive Director, seeking fact finding. The issues that were not resolved were listed as follows in both petitions:

Wages, insurance, sick leave bank/short term disability, accrued unused leave payout upon retirement.

The Library through Counsel answered the Petitions for Fact Finding, essentially agreeing with the Unions that the issues were wages, insurance, sick leave bank/short term disability, and accrued unused leave payout upon retirement. The Library in its answer addresses dental insurance, vision insurance, life and accidental death and dismemberment insurance, long term disability, change of insurance carriers, including the health care carrier. The Library also added a proposal for early retirement, parenting leave and the codification of existing practices regarding access to paid sick leave for new hires.

---

<sup>1</sup> The Petitions for Fact Finding suggest as to each Unit there are 16 employees, respectively. However, the numbers set forth above are based upon the testimony before this Fact Finder.

## 2. STATUTORY CRITERIA

All the issues by the Petitions and the answer of the Library are economic. As to the criteria to be used, this Fact Finder borrows from the criteria utilized in Act 312 of Public Acts of 1969, as amended by Act 116 of Public Acts of 2011 amending Section 9, which provides:

Sec. 9. (1) If the parties have no collective bargaining agreement or the parties have an agreement and have begun negotiations or discussions looking to a new agreement or amendment of the existing agreement and wage rates or other conditions of employment under the proposed new or amended agreement are in dispute, the arbitration panel shall base its findings, opinions, and order upon the following factors:

(a) The financial ability of the unit of government to pay. All of the following shall apply to the arbitration panel's determination of the ability of the unit of government to pay:

(i) The financial impact on the community of any award made by the arbitration panel.

(ii) The interests and welfare of the public.

(iii) All liabilities, whether or not they appear on the balance sheet of the unit of government.

(iv) Any law of this state or any directive issued under the local government and school district fiscal accountability act, 2011 PA 4, MCL 141.1501 to 141.1531, that places limitations on a unit of government's expenditures or revenue collection.

(b) The lawful authority of the employer.

(c) Stipulations of the parties.

(d) Comparison of the wages, hours, and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours, and conditions of employment of other employees performing similar services and with other employees generally in both of the following:

(i) Public employment in comparable communities.

(ii) Private employment in comparable communities.

(e) Comparison of the wages, hours, and conditions of employment of other employees of the unit of government outside of the bargaining unit in question.

(f) The average consumer prices for goods and services, commonly known as the cost of living.

(g) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays, and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.

(h) Changes in any of the foregoing circumstances while the arbitration proceedings are pending.

(i) Other factors that are normally or traditionally taken into consideration in the determination of wages, hours, and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration, or otherwise between the parties, in the public service, or in private employment.

(2) The arbitration panel shall give the financial ability of the unit of government to pay the most significance, if the determination is supported by competent, material, and substantial evidence.

The catch-all phrase in 9(h)(i) suggests that criteria used by Fact Finders can be considered. Among those criteria is the bargaining history of the parties as expressed by their previous contracts and current negotiations, the strike criteria, namely, what the parties would have settled for if there was the ability to strike, and the art of the possible, namely, the art of compromise to reach an agreement.

In addressing the criteria, it is appropriate at this point as to the issues involved to comment on the Library's financial ability.

The Library's primary financial source is a permanent millage rate of 1.5412 and a secondary millage rate of up to .6955 which the Library Board uses .53. This secondary millage rate is up for a referendum in 2019. In addition, the Library receives some revenue from overdue fees and there is the Grosse Pointe Library Foundation.

The Library issued a strategic plan dated June 2017. That plan for the fiscal year 2018, namely, beginning July 1, 2017 noted a predicted net income, namely, revenue over expenses of \$180,617. (36).<sup>2</sup> For fiscal year 2019, the net income was predicted to increase to \$279,870.

---

<sup>2</sup> The figure in parenthesis represents the page of the Grosse Pointe Public Library strategic plan.

Appendix 19, "Cash Flow Forecast", at page 144 indicated that for the fiscal year 2018 there would be a beginning cash balance of \$9,466,372 and that the expenses would exceed income by \$113,530 due to a projected capital needs of \$400,000 and the debt fund. By fiscal year 2019, the beginning cash value balance was \$9,252,842 and that the revenue exceeded expenses by \$85,825 so that the ending cash balance was \$9,338,667. Accounting for this was a reduced transfer amount for debt service funds plus a change in the projected capital needs.

At page 32 of the strategic plan, it was predicted that "salary and associated costs were planned to rise 3% for the first year and 2% for each year thereafter".

When this Fact Finder reviewed the GPPL strategic plan along with the testimony of MEA economist Ruth Beier, it is clear that this is not a case of financial inability. However, there are variables, including the upcoming renewal of the secondary millage rate set for a referendum in 2019, which support an argument that there should be care in making financial commitments because of the upcoming concern over renewing the needed supplemental millage. Then, too, responsible stewardship would require careful financial planning to meet future needs -- a point that guides this Fact Finder in making recommendations.

### **3. STIPULATIONS AND PRELIMINARY RULINGS**

The parties have reached tentative agreements on a number of issues and are in agreement that they are bound to the tentative agreements that have been reached. The parties also agree that the duration of the contract at issue is from July 1, 2017 to December 31, 2018.

### **4. ISSUES BEFORE THE FACT FINDER**

#### **A. Insurance**

The consensus of the parties is that the primary issue that has prevented them from reaching agreement short of fact finding are disputes as to insurance coverage. Because of the nature of the parties' insurance package under the 2011 contract as extended, the term "insurance" in defining the issue includes health insurance, dental insurance, vision insurance, life and accidental insurance and long-term disability. The insurance issue, due to the parties' immediate predecessor contract as extended cannot be separated as between each of the forms of insurance. Thus, to resolve the issue, the forms of insurance just enunciated are discussed in tandem in this Report.

With the 2011 CBA effective July 1, 2011, the parties adopted for health insurance the MESSA Choices II Plan and a Blue Care Network HMO plan BCN5, as well as a Delta Dental and VSP3 Vision Plan. Effective with the contract extension for July 1, 2013, the parties adopted MESSA Plan A with an 80%/20% option under PA 152 of 2011. As a result, by the time negotiations began for the 2017-2018 contract, the health care plan was MESSA Plan A and the Library had continued the Delta Dental plan and the VSP3 Vision plan.

This Fact Finder is under the impression that the various auxiliary insurances, including Delta Dental and VSP3 were arranged through MESSA. In the adoption of the MESSA Plan A Plan, the Library also, based upon the deductible, made a contribution to the Health Savings Account (HSA) of the affected employees.

In the current negotiations, the parties made final offers as to insurance. The Library on June 23, 2017 made the following proposal to the Librarians:

Health insurance: Blue Cross/Blue Shield Platinum \$0 shall be provided effective August 1, 2017 or as soon thereafter as practicable. (Note: there would be no HSA contribution by the Library or the employees since this is not a high deductible plan.)

The Library or the Union may re-open health insurance, effective July 1, 2018, if the premiums are increased by at least 10%.

Employees who are enrolled in the Library's health insurance plan shall pay 20% of the premium.

Full-time employees who opt out of all insurance coverage shall receive an annual stipend of \$5,500, less applicable taxes and deductions. Full-time Employees who opt out of medical (Blue Cross/Blue Shield and prescription drug insurance), but who enroll in all other insurance coverages shall receive an annual stipend of \$3,000, less applicable taxes and deductions. Part-time employees eligible for these insurance benefits shall receive a pro-rated stipend.

In recognition of the cost savings in the design of the insurance plan, the Library shall make a one-time payment of \$500 to each full-time employee's defined contribution plan, effective July 1, 2017. Payment to part-time employees who are regularly scheduled to work at least twenty (20) hours per week shall be pro-rated. This one-time payment shall be in addition to the formula designated in Appendix B, Retirement/Pension, Section A.

Effective July 1, 2017, or as soon thereafter as practicable, the Library shall provide the following benefits to full-time employees. Insurance benefits for part-time employees hired on or before January 1, 2005, and part-time employees hired after January 1, 2005 who are regularly scheduled to work at least twenty (20) hours per week will be provided on a prorated basis. The pro-ration shall be the fraction that the Librarian's regularly scheduled hours of work per week bears to forty (40) hours. The balance of the insurance premium shall be paid by the Librarian through payroll deduction. Insurance benefits shall not be provided to part-time employees hired after January 1, 2005 who are scheduled to work less than twenty (20) hours per week.

Dental: Principal Financial, Principal Network (see attached).

Vision: VSP 3, VSP Network (see attached).

Life and Accidental Death and Dismemberment: Benefits shall be substantially equivalent or better than those provided under the 2011-2013 collective bargaining (as amended).

Long-term Disability: Benefits shall be substantially equivalent or better than those provided under the 2011-2013 collective bargaining (as amended), except that the monthly maximum benefit shall be increased to \$3,500.

The Library reserves the right to change the insurance carrier, except for health insurance, provided it gives the Union thirty (30) calendar days' notice and provides substantially equivalent benefits.

On the same day, the Library made the same proposal to the Support staff.

On September 6, 2017, the Librarians presented the following health care plan which was their position in fact finding:

#### INSURANCE

- A. Except as provided in Section F below, the Board shall provide each bargaining unit member and his/her immediate family for a full twelve (12) month period, MESSA PAK A Option 1 (ABC Plan 1) as set forth in Paragraph E below.
  - i. As soon as administratively possible after ratification of this Agreement, but in no event later than 14 days after ratification, the Board shall contribute 40% of the deductible into the HSA of each bargaining unit member enrolled in this Plan.
  
- B. Effective January 1, 2018, except as provided in Section F below, the Board shall provide each bargaining unit member and his/her immediate family for a full twelve (12) month period, MESSA PAK A Option 1 (ABC Plan 1) or Option 2 (Choices 500/1000) as set forth in Paragraph E below.
  - i. For each bargaining unit member enrolled in Option 1, on January 1, 2018, and on the 1st of every January thereafter, the Board shall contribute 80% of the deductible into the bargaining unit member's HSA account.

- ii. For bargaining unit members enrolled in Option 2, for each calendar year the Board shall provide reimbursement to each bargaining unit member in the amount of 80% of the cost of the 500/1000 deductible upon presentation of proof of payment by the bargaining unit member.
- C. Bargaining unit members shall contribute 20% to the cost of the medical insurance premium only. Said contribution shall be payroll deducted.
- D. Bargaining unit members who are employed less than full-time shall receive the appropriate pro-rated share of Board paid benefits.
- E. Plan Coverage

Option 1- ABC Plan 1

- 1. MESSA ABC Plan 1- \$1300/\$2600 deductible and ABC Rx prescription coverage. (In the event that the deductible is increased, the parties' 80/20 contribution shall be increased).
- 2. Dental Plan
  - a. 100/75/50 - \$1000 annual maximum
  - b. 50: \$800 lifetime maximum
  - c. Two cleanings per year
  - d. No adult orthodontic
- 3. Vision - VSP 3
- 4. LTD
  - a. 60% Max ~~\$3,000.00~~ \$3500.00
  - b. Max Monthly Salary - \$5,000.00
  - c. 90 CDSW
- 5. Life Insurance - \$60,000.00

Option 2- Choices

- 1. MESSA Choices 500/1000 with Saver Rx and 10% Co-Insurance.
- 2. Dental Plan
  - a. 100/75/50 - \$1000 annual maximum
  - b. 50: \$800 lifetime maximum
  - c. Two cleanings per year
  - d. No adult orthodontic
- 3. Vision - VSP 3

4. LTD
    - a. 60% Max ~~\$3,000.00~~ \$3500.00
    - b. Max Monthly Salary - \$5,000.00
    - c. 90 CDSW
  5. Life Insurance - \$60,000.00
- F. Effective July 1, 2017, for bargaining unit members who elect not to have medical insurance coverage:
1. The Board shall pay to said members the sum of ~~\$5,500.00~~ \$4,500.00 annually;
  2. Shall be enrolled in the Dental, Vision, LTD and Life Insurance benefits identified in Paragraph E above.
  3. Bargaining unit members who are employed less than full-time shall receive a pro-rated amount.

\* \* \*

Likewise, on September 6, 2017, the Support staff presented their proposal as to insurance which was identical to the Librarians' proposal except the life insurance was \$25,000.

The reference to "PAK A" is to the proposal that MESSA provides the auxiliary insurance, namely, a Delta Dental plan, VSP3, LTD and life insurance. By doing so, which this Fact Finder is led to believe has been in the previous extension, MESSA is prepared to give a 2% discount on the health care premiums if the PAK package is accepted. Furthermore, MESSA has guaranteed the rates for the proposed MESSA plans through December 31, 2018.

These respective proposals are against certain facts. As pointed out, as this Fact Finder heard the testimony, there are 24 employees in the combined units, although there was a suggestion in the arguments that there were 28. In the Librarian unit as to health care, there are three employees that have family coverage, two employees have two person coverage, and five have single coverage, making a total of 10 individuals in the Librarian group of 16 having insurance coverage. In the Support group, three employees have family coverage, two employees have two person coverage, and seven have single coverage, meaning that 12 out of 18 employees in the Support group have health insurance furnished by the Library.

The Associations, as testified to by their witnesses, offered two plans – MESSA ABC1 and MESSA Choices – so that members in the units could choose which plan met their needs. The Library announced that it could not offer both a MESSA plan and a Blue Cross plan and elected to offer the Blue Cross/Blue Shield Community Blue PPO Platinum Plan which the Library's Advocate maintained was the best plan available from Blue Cross.

This Fact Finder was treated to several exhibits comparing the benefits under the plans. The comparisons in various areas, depending on one's view, can be favorable to a given position. The Blue Cross Platinum plan has no initial deductible. The MESSA ABC plan has a \$1,350

single coverage and \$2,700 two person or family coverage deductible. The MESSA Choice plan has a \$500 single deductible and a \$1,000 family coverage. The comparison down the line between the plans vary as to prescriptions, co-pays. There are arguments as to out-of-pocket maximums with the Library in its exhibits suggesting that in the Platinum plan the out-of-pocket would be \$6,600 single and no more than two per family. In the same exhibit, MESSA ABC1 is suggested to have a \$2,300 single and a \$4,600 couple maximum out-of-pocket. In the Associations' exhibit, it is pointed out that the annual out-of-pocket maximums could be \$6,600 for one member and \$13,200 for a family in the Blue Cross Platinum plan; that as to the MESSA Choices, the maximum is \$3,500 per individual and \$7,000 family maximum.

This Fact Finder could go through the entire exhibits and compare service with service. But, after reviewing the comparisons, including such things as the Platinum plan for certain generic drugs, referencing a \$4 co-pay, where MESSA ABC1 referenced no co-pay, this Fact Finder agrees with the comment of Arbitrator Ralph Seward made in *Bethlehem Steel Co.*, 30 LA 678 at 682 (1958), when he wrote in considering a sub-contract case:

The Umpire has returned from his exploration of the cases a sadder – if not wiser – man, echoing the plaint of Omar Khayyam: “Myself when young did eagerly frequent doctor and saint and heard great arguments about it and about; but ever more came out by the same door wherein I went”.

In other words, both the proponents of the two MESSA plans and the Blue Cross Platinum plan in terms of comparing benefits can find merits in each position.

Underlying the above observation is a basic fact that hovers over this dispute. The Library had representatives knowledgeable in the Blue Cross plan meet with the entire membership of the bargaining units to discuss the Blue Cross plan. The membership also met and discussed the MESSA plan or plans. After doing so, as this Fact Finder heard the testimony, the bargaining teams were directed to opt to continue the MESSA ABC1 plan with the HSA contribution and apparently to permit a second choice – MESSA Choices. Then the question is, why does the Library insist on changing to the Blue Cross Platinum plan? The Library staff maintains that they had received complaints about the MESSA plan, namely, that one member was having difficulty using HSA funds to pay medical claims. A second member apparently complained because the MESSA offices were not open during the Christmas holidays and there was difficulty making contact.

This Fact Finder acknowledges this concern. But the fact is that the entire membership of the two Associations were exposed to an explanation of the Community Blues Platinum 1 plan as well as the MESSA plans. These are small units. They presumably knew of the complaints. There was also a suggestion that an accommodation can be made as to Christmas holiday contact through a MESSA representative. Furthermore, there is some question of whether Blue Cross offices are open, for example, on Christmas Day and New Year's Day.

Though this Fact Finder recognizes that there was a complaint, there is still the overwhelming support from the bargaining unit for the MESSA plans. MESSA also offered some benefits that seemingly have not been made available by Blue Cross, including continuing premium payments up to two years when an employee is on long-term disability. It was also pointed out in the testimony that if the administration, which now apparently is covered by MESSA, could opt for Blue Cross while the bargaining units are covered by MESSA. This has occurred in other units represented by the MEA, namely, school districts involving in some cases two or three administrators who choose to go to Blue Cross, while the staff chose MESSA.

The same comments can be made as to the comparison between the current Delta Dental program offered through MESSA and the proposal of a dental plan offered by Principal Financial. The benefits each are virtually the same except on a Class 2 basic the Delta Dental pays 75% versus Principal Financial 80%. Orthodontia the maximum with Delta is \$800, for Principal \$1,000. Though there was a suggestion that Principal has broad coverage in southeast Michigan, Delta is perhaps the larger provider.

As to vision, the Library is proposing to utilize the NVA program. In comparing NVA with VSP3, there is no co-pay with VSP3 for an examination whereas with NVA there is a \$10 co-pay. The frame allowance for VSP3 is \$65; for NVA \$130. As to contact lenses, NVA provides \$130; VSP3 provides \$115. Otherwise, both programs have the same benefits. In other words, as to vision, the comparison of benefits is not particularly helpful to either party's position for the benefits are similar. Nevertheless, the membership instructed the bargaining team to opt for the MESSA PAK plans.

The significance of the membership's actions leads to applying the criteria. The past bargaining history, as revealed in the 2011 contract and the extension in 2013, shows that the parties went from a MESSA plan and a Blue Cross HMO plan to a MESSA Plan A. So, MESSA in 2013 had been the exclusive plan and back in 2011 was one of the available plans. The Library has announced that it will not agree to having both a MESSA plan and a Blue Cross plan. Yet, the past bargaining history suggests that the parties were willing for six years to have a MESSA plan and for the last three years to have MESSA exclusively. The current bargaining history as represented by the membership as well as the bargaining committees of MEA suggests that the MEA represented employees were insisting on continuing the insurance coverage they have with MESSA.

This is an unusual situation because prior to fact finding the entire membership, after given an opportunity to hear from representatives of management about Blue Cross and to make apparently a comparison, have opted to continue with MESSA with the option of a second MESSA plan. This is indeed a convincing application of the bargaining history criteria. Now, whether the unit would have gone on strike over MESSA or whether the Employer would have taken a strike over MESSA is an open question. The fact is, however, the matter has gone to impasse because the membership has insisted on continuing with MESSA. MESSA has guaranteed the rate until December 31, 2018 when the contract expires. The inclusion of Delta

Dental and VSP3 vision, long-term disability benefits and life insurance as part of the MESSA package is reasonable because it give the Library a 2% discount on the health care premiums which premiums represent a major insurance cost to the Employer. Then, too, as will be pointed out, the parties have reached agreement on the terms of long-term disability and life insurance is just that. In other words, the criteria that fact finders apply support the two MESSA plans along with the PAK for the insurance, namely, dental, vision, life insurance and long-term disability.

The only basis that this Fact Finder would consider deviating from the analysis as to the application of the criteria is whether there was a substantial cost differential in terms of premiums, as between the Blue Cross Platinum plan and the two MESSA plans proposed by the Associations, coupled with the PAK giving the 2% discount.

Examine the cost issue. When there is a comparison of dental cost, the analysis of the Library is that the dental cost for those employees covered is \$19,423.56 or a reduction of \$292.44 from the previous premiums. If the recommendation was to go to Principal Financial, the premiums would be \$18,763.32 or a reduction from the current premiums of \$952.68. The difference between the PAK premium and the Principal Financial is \$660.24, presumably on an annual basis.

The difference in the vision between VSP3 and NVA in the total cost for the Library for all employees covered is \$402.60. But, even then, this figure may be off because the quoted figure for the two persons under NVA is \$997, but if the two persons are an employee and a child the figure goes up to \$1,595. The point of these two differences in dental and vision is there is the fact that overriding is the 2% discount for taking the PAK auxiliary insurances that impact the greater insurance cost, namely, the health care insurance.

Thus, the total cost differential not factoring in the 2% discount on the health insurance at most would be \$1,062.84 using carriers where the rates are guaranteed by MESSA until December 31, 2018. This does not seem to be a basis to change insurance unless the overall increase in cost overrides the current bargaining history as revealed by previous bargaining history and what appears to be the overwhelming desire of the bargaining units to remain with MESSA.

The question is whether the difference in cost, if there is a difference, between the Blue Cross/Blue Shield Platinum zero plan and the two MESSA proposed plans are sufficient to convince this Fact Finder, given the bargaining history, to recommend switching to Blue Cross/Blue Shield.

The problem that developed in the cost analysis is that Blue Cross/Blue Shield had proposed a rate effective July 1, 2017. According to the exhibit in Tab 25 of the Library's exhibits, the rate for MESSA from July 1, 2017 to December 31, 2018 for the employees that were covered was \$358,685.16 or an increase of the previous rate of \$21,821.04, namely, a 6.48% increase. This was the rate for the MESSA ABC1 plan.

Blue Cross for the Platinum zero plan had given the Library a rate that was good from July 1, 2017 to June 30, 2018 that revealed that the cost to the Library would be \$342,513.56, or a decrease from the MESSA rate of \$16,171.60, a decrease of 4.50%. However, the parties did not reach agreement as of July 1, 2017 and Blue Cross has announced increased rates effective January 1, 2017 to November 30, 2018 so that the Blue Cross increased rate is \$354,707.04 versus, according to the exhibit, \$358,685.16 cost of the MESSA ABC1 program, or a difference of \$3,978.12 or a difference of 1.11%.

The Fact Finder appreciates that the employee will be paying 20% of the premium. Yet, based upon the exhibits submitted the MESSA Choices plan produces even less of a difference in cost. This Fact Finder recognizes, however, that the difference portrayed of \$3,978.12 does not include the HSA contribution that the Employer has made. Nevertheless, the cost differential is not so great as to overlook the bargaining history and the overwhelming desire on the part of the membership to stick with the MESSA plans.

MESSA representative Scott indicated that though MESSA offices are closed during the holidays, she does have as a MESSA representative for the area, her cell phone available to answer any pressing questions. Likewise, as to the one complaint caused by the question of accessing an HSA account, as the Fact Finder heard the evidence Ms. Scott indicated that she worked with the individual who was having the difficulty.

Furthermore, the testimony suggests that accessing HSA accounts is not a question of insurance. There is also the factor that the Blue Cross/Blue Shield rates as illustrated in this matter are static in that already once in these negotiations they have been increased. On the other hand, the MESSA rates, including the PAK rates, are guaranteed until this contract ends December 31, 2018.

Likewise, as pointed out, if the administrators wish to go with Blue Cross/Blue Shield, there is nothing preventing them from doing so.

RECOMMENDATION: This Fact Finder will recommend that the two offered MESSA plans – MESSA ABC1 with HSA and MESSA Choices – be the plans that are adopted. The recommendation will be that for those employees electing the MESSA ABC1 plan, the Library will continue to contribute in the same percentage as previously toward the deductible of making contribution to the employee's HSA as the Library did pursuant to the 2013 extensions. There will be no language as to the right of the Employer to change carriers for the reason that the contract will be up for negotiations within a year and there will be no provision for re-opening on health insurance. Employees who are enrolled in the Library health insurance plan shall pay 20% of the premium. The proposed provisions as set forth will apply pro rata to part-time employees. These provisions are applicable to both units. The MESSA PAK provisions for Delta Dental, VSP3, long-term disability and life insurance shall apply as proposed to both units with \$60,000 of life insurance for the Librarians and \$25,000 life insurance for the support staff. The long-term disability insurance provisions should be as TA'd by the parties with no further changes.

B. Insurance Waiver

Both the Librarians and Support staff contracts for 2011 as extended have an option for those who waive health insurance of receiving a \$5,500 payment annually. The option also provides pro rata for part-time employees in the Librarians unit and certain part-time employees in the Support staff unit. Employees who opt out and receive the \$5,500 still are provided life insurance and long-term disability.

The positions of the parties are set forth below:

**Issue - Cash in Lieu of Benefits**

**Association Position:**

- Reduce current contract language providing \$5,500.00 for bargaining unit members who elect to waive medical insurance to \$4,500.00, prorated for part time bargaining unit members working 20+ hours per week.
- Employer paid dental, vision, LTD and Life Insurance for all full time bargaining unit members who elect to waive medical insurance, prorated for bargaining unit members working 20+ hours per week.

**Library Position:**

- Provide \$5,500.00 stipend for bargaining unit members who elect to waive ALL insurance benefits, prorated for part time bargaining unit members working 20+ hours per week.
- Provide \$3,000.00 stipend for bargaining unit members who waive medical insurance but who enroll in ALL other insurance, prorated for part time bargaining unit members working 20+ hours per week.

This Fact Finder, after review, concludes that the agreement as to opt out should be somewhere between the two. Recognizing the bargaining history of the \$5,500 opt out language, this Fact Finder recommends that the \$5,500 opt out for bargaining unit members who elect to waive medical insurance, dental and vision shall remain and as to part-time bargaining unit members working 20+ hours or more per week for both units be prorated regardless of the opt out being provided. The employees so opted out will continue to have long-term disability and life insurance paid by the Employer as in the past. For employees seeking to have Employer-paid dental and vision, the opt out will be as provided by the Employer's position of \$3,000 prorated for part-time bargaining unit members working 20+ hours.

The reason for this approach is that the \$5,500 stipend has been in the contract since 2011. Furthermore, the contract has provided for the Library providing life insurance and a long-term disability policy. As to adopting the Employer's \$5,500 if the employee waives all insurance benefits overlooks the bargaining history as to long-term disability and life insurance. On the other hand, there is a cost for those who wish to have vision and dental and the \$3,000 option is more consistent with the cost of those two benefits per employee and the proposed \$4,500 of the Associations.

RECOMMENDATION: Employees who elect to waive medical insurance and dental and vision provided they can establish medical insurance coverage from other sources shall receive an annual opt out amount of \$5,500 pro-rated for part-time bargaining unit members working 20+ hours per week. The employees will continue to receive long-term disability insurance and life insurance. For those employees seeking to have the Library provide dental and vision insurance, the opt out shall be \$3,000 annually for those employees who waive medical insurance pro-rated for part-time bargaining unit members working 20+ hours per week. The employees, in any event, who opt out will receive long-term disability and life insurance.

C. Wages

The respective positions of the parties as to wages which are at issue are:

Association Position - Librarian and Support:

- 3% on schedule increase effective 7/1/17 through 6/30/18.
- 2% on schedule increase effective 7/1/18 through 12/31/18.
- Step advancement for bargaining unit members eligible for step advancement.

Library Position - Librarian and Support:

- 2.5% increase for the period 7/1/17 through 6/30/18
- 1.25% increase for the period 7/1/18 through 12/31/18
- Step advancement for bargaining unit members eligible for step advancement.
- \$500.00 off schedule lump sum bonus for full-time bargaining unit members, prorated for bargaining unit members working less than full-time.
- \$500.00 one-time payment to full-time bargaining unit member's DB plan, prorated for bargaining unit members working 20 hours or more "in recognition of the cost savings in the design of the insurance plan."

The cost of the Library's proposal for 18 months ending December 31, 2018 is \$1,343,777. This includes a 2.5% increase December 1, 2017 through June 30, 2018 and a 1.25% increase July 1, 2018 through December 31, 2018, as well as the proposed \$500 off

schedule bonus.

The cost with the same proposals for the Support staff of the Library's proposal is \$885,913. The Library's total cost is \$2,229,690.

The Associations' proposal of 3% increase on each step for December 1, 2017 through June 30, 2018 and 2% increase for July 1, 2018 through December 31, 2018 is for the Librarians \$1,338,576; for the Support staff, \$876,673, or a total of \$2,215,249. Thus, for the 18 month period at issue, the Employer's proposal cost \$14,441 more than the Associations' proposal.

There is also another factor. Because of PA 54, assuming that the new contract begins July 1, 2017 for the Librarians, since the wage increases were not given retroactive, the Library would have been paying \$19,971 less for both units under the Library proposal and \$22,962 less for both units under the Associations' proposal.

The one cogent observation about the wage proposals, the figures suggest that if the Associations' proposals are accepted the savings as compared to the Library proposal would pay for any increased cost as a result of continuing with MESSA as compared to adopting Blue Cross Platinum zero.

The second point to be observed, which was not overlooked by this Fact Finder, is that although the cost is less with the Association proposals, the base wages at each step would be higher than if the Employer proposals were adopted.

With the above observations, this Fact Finder proceeds to apply some criteria beginning with the bargaining history. Wages for the 2013-2014 year were at zero basic wage schedule. The parties did negotiate extensions so that for each group there was a 2.5% wage increase at each step effective July 1, 2015 and a 2.5% effective July 1, 2016. The result was the following wage scale for Librarians:

2014-2015 Salary Scale	2015-2016 Salary Scale	2016-2017 Salary Scale
\$44,815	\$45,935	\$47,083
\$47,056	\$48,232	\$49,438
\$49,296	\$50,528	\$51,791
\$51,537	\$52,825	\$54,146
\$54,898	\$56,271	\$57,678
\$48,259	\$59,716	\$61,209

As to the Support staff, the results were the following schedule:

	2015-2016	2016-2017
Step 1	\$28,709	\$29,427
Step 2	\$29,852	\$30,598
Step 3	\$30,996	\$31,771
Step 4	\$32,723	\$33,541
Step 5	\$34,451	\$35,312
Step 6	\$36,988	\$37,913

This pattern shows is that after a zero increase contract in 2014 and perhaps before, relying purely on step increases, the Library and the bargaining units agreed to two years of 2.5% across-the-board increases, respectively.

Then there are the comparables. The Associations' Advocate produced the following comparables as to the Librarians and Support staff:

**LIBRARIAN 17/18 SALARY COMPARABLES**

<b>ANN ARBOR</b>	<b>GROSSE POINTE</b>
Low \$48,500.00	Low \$47,083.00
High \$66,660.00	High \$61,209.00
<b>KALAMAZOO</b>	<b>WILLARD</b>
Low \$49,876.00-Librarian I \$60,553.00-Librarian IV	Low \$47,972.00
High \$60,554.00-Librarian I \$73,014.00-Librarian IV	High \$81,959.00

**SUPPORT 17/18 SALARY COMPARABLES**

<b>ANN ARBOR</b>	<b>GROSSE POINTE</b>
Low \$30,300.00	Low \$29,427.00
High \$40,040.00	High \$37,913.00

<b>KALAMAZOO</b>	<b>WILLARD</b>
Low \$37,690.00-Low classification \$34,272.00-Mid classification \$36,457.00-High classification	Low \$31,220.00 (hourly rate/40 hours per week)
High \$37,045.00-Low classification \$42,888.00-Mid classification \$45,654.00-High classification	High \$44,824.00 (hourly rate/40 hours per week)
<b>RANKING/LOW</b>	<b>RANKING/HIGH</b>
1. Willard - \$31,220.00	1. Kalamazoo- \$37,045.00/\$42,888.00/ \$45,654.00
2. Ann Arbor - \$30,300.00	2. Willard - \$44,824.00
3. Kalamazoo - \$29,690.00/\$34,272.00/\$36,457.00	3. Ann Arbor - \$40,040.00
4. Grosse Pointe - \$29,427.00	4. Grosse Pointe - \$37,913.00

This Fact Finder appreciates these are selectively chosen library systems that are not inclose geographical proximity to Grosse Pointe. They do, however, indicate that at least among these four libraries, with Ann Arbor being the closest, Grosse Pointe Librarians and Support staff have the lowest rankings, both high and low, for Librarians and Support staff, suggesting that the marketplace, although as pointed out these are different geographical areas, might support the Unions' proposal, 3% and 2% and 5% over actually a two year contract consistent with in more recent bargaining history and because of PA 54, if the Unions' proposals were adopted, there would be another \$22,962 were not paid out.

The parties did not agree on comparables. However, the Library did introduce comparables with the six municipal communities it serves as to the wage settlements in recent times, along with the Grosse Pointe Public Schools. These settlements were:

	<u>07-01-17</u>	<u>07-01-18</u>	<u>07-01-19</u>	<u>07-01-20</u>
Grosse Pointe	2% + \$500	\$2% + %500		
Grosse Pointe Farms		2.5%		
Grosse Pointe Park	In Negotiations			

Grosse Pointe Shores	0%	3%	3%	3%
Grosse Pointe Woods	2%	2% + \$500		
Harper Woods		0%		
Grosse Pointe Schools	0%	Wage Reopener (GPPA)	Wage Reopener (GPPA)	

This Fact Finder does not know what these communities negotiated prior to July 1, 2017 or how they rank with comparable communities in the geographical area as to their various classifications. The purport of the exhibit is to suggest that only one community, Grosse Pointe Shores, after a zero increase on July 1, 2017, has approached 3% in 2018 and in fact has gone out to 3% for 2019 and 2020. Grosse Pointe Farms for July 1, 2018 has opted for 2.5%. In regard to the Grosse Pointe Schools, the comparable suggests settlements of 1% to 1.5% off schedule expiring on June 30, 2018. The Grosse Pointe Schools may not be a viable comparable due to the system's salary schedule as compared with other surrounding school districts and possible concerns over fund balance and State aid.

The battle of the comparables is interesting. The Library comparables, even though out of the geographical area, would suggest there needs to be some wage improvement. The local comparables with municipalities and not librarians or library support might suggest a more modest package. Even with the Pointe municipalities, at least one is showing 3% increases. Grosse Pointe Farms is at 2.5%, which is higher than the Library's offer. Grosse Pointe, along with Grosse Pointe Woods, are adding 2% and \$500 stipends.

The point of the above comments is that this Fact Finder considered all relevant factors in considering the wage proposals. By virtue of PA 54, the 3% proposed by the Associations will net to the employees something less than if the 3% had been retroactive to July 1, 2017. The same can be said as to the Library's 2.5% increase for the period of July 1, 2017 through June 30, 2018. Nevertheless, as matters turned out in terms of actual monies, for the first year of the contract, though the steps would be higher at 3%, the money spent that the Library was anticipating for the first year even at 3% would be relatively similar to if the Library had been paying 2.5% for the full year. Then, the Library proposes a 1.25% increase for the period July 1, 2018 through December 31, 2018 and there is a \$500 scheduled lump sum bonus. This lump sum bonus at all the steps in the Support and at two of the steps in the Librarians represents another 1%. True, at the higher steps in the Librarians, the \$500 is somewhat less than 1%. So, here is what the Fact Finder is faced with. A previous pattern of 5% over two years. A similar pattern proposed by the Associations of 5% over a year and one-half with a 3% at the beginning of the contract. The Library is proposing a 3.75% over a year and one-half and if the \$500 bonus is thrown in in some cases this proposal represents approaching a 4.75% or even 5% wage increase over the year and one-half, though the base rate would now be higher at a 3% and 2% proposal. In other words, money-wise, as matters turned out with the application of PA 54, with

some variation the proposals cost-wise are similar, though the Associations have established that their proposal actually costs less than the Library's proposal.

This analysis put this Fact Finder in a quandary. If this Fact Finder had adopted the Library's proposal, he would be adding more costs. If this Fact Finder decided to adopt the 3% for the first year and the 1.25% for the second year with a \$500 bonus, this may have actually added more monies to the package than either proposal. In the end, hoping to be responsible, after analyzing the facts, given the bargaining history, this Fact Finder will adopt the proposal of the Associations. In doing so, this Fact Finder believes that the result is less cost to the Library and does not put the Librarians or the Support Staff salary schedules out of kilter with the few viable Library comparables, although as this Fact Finder has suggested were in different geographical areas. This approach is consistent with the bargaining history as it turned out and the stable financial condition of the Library, although the Library finances must be carefully monitored. Appreciating that by adopting the Associations' positions the base wage may be higher than otherwise, but it is consistent with the 5% pattern. Now, it may be that when December 2018 comes around the parties may have to rethink the pattern as they once did previously to the extensions. But, for now, this Fact Finder sees no reason, given the cost and the Fact Finder was concerned with the cost, that the proposal of the Unions be adopted.

RECOMMENDATION: Effective July 1, 2017, there will be a 3% across-the-board wage increase at each step but, because of PA 54, will not be retroactive. Effective July 1, 2018 through December 31, 2018, there shall be a 2% wage increase across-the-board on each step. In all cases, the increase recommended here shall apply to all steps. There shall be step advances for bargaining unit members eligible for step advances.

D. Severance Benefit

The parties are in impasse over proposals as to sick leave payout. The positions of the parties are:

**Association Position - Librarians:**

- ADD TRIGGER OF "RESIGNATION" TO CURRENT PROVISION ENTITLING LIBRARIAN, "UPON RETIREMENT", TO BE PAID 50% OF PER DIEM RATE FOR ACCUMULATED SICK DAYS UP TO MAXIMUM OF 30 DAYS.
- INCREASE PAYOUT FOR ACCUMULATED SICK DAYS FROM MAXIMUM OF 30 DAYS TO MAXIMUM OF 60 DAYS.

**Library Position - Librarians:**

- MAINTAIN EXISTING CONTRACT LANGUAGE.

---

---

**Association Position - Support Personnel:**

- CHANGE CURRENT CONTRACT LANGUAGE PROVIDING FOR NO PAYOUT FOR ACCUMULATED SICK DAYS "UPON TERMINATION OF EMPLOYMENT (RESIGNATION OR RETIREMENT)" TO THE FOLLOWING: UPON RESIGNATION OR RETIREMENT, SUPPORT PERSONNEL TO BE PAID 50% OF PER DIEM RATE FOR ACCUMULATED SICK DAYS UP TO MAXIMUM OF 60 DAYS.

**Library Position:**

- MAINTAIN EXISTING CONTRACT LANGUAGE.

Section 49 of the 2011 contract of the Librarians in 49.B provides:

Upon retirement, a Librarian shall be entitled to be paid at fifty (50%) percent of the per diem rate for accumulated personal sick leave days up to a maximum of thirty days.

There is no such language in the Support contract. The fact is the provisions for payout of accumulated sick time or lack of provisions in the respective contracts has come about through negotiating contracts. Furthermore, applying the criteria of the art of the possible, there is only so much that can be accomplished in one negotiations. These are bargaining units that traditionally have been able to settle contracts within a rather short time. This has been a protracted negotiation because of the insurance issue which hopefully this Fact Finding Report has resolved.

Considering this background and applying the art of the possible, the parties on their own would not have made any changes to the Librarian contract as to payout of accumulated sick leave and this Fact Finder will agree that the recommendation will be as to the Librarian contract that the current contract remain. As to the Support Personnel, probably the parties would have agreed to have the same language as now in the Librarian contract as to sick leave payout and, therefore, this Fact Finder will recommend that the same language that appears in the Librarian contract as quoted above also appear in the upcoming Support contract. There is no reason to treat the two bargaining units different on this point and the parties would probably have so agreed.

**RECOMMENDATION:** It is recommended that as to the Librarian contract that the current language as to payment of 50% of the per diem rate for accumulated personal sick leave days up to a maximum of 30 days upon retirement remain and that the same language be adopted in the

Support Personnel contract.

E. Long-Term Disability

Though this Fact Finder has already addressed long-term disability, namely, that the plan be the MESSA insurance plan, there was some dispute as to the terms of the long-term disability with the respective positions being:

**Association Position:**

- Maintain current negotiated Carrier and Plan (MESSA).
- Increase maximum monthly limit from \$3000 to \$3500 (TA'ed on 6/12/17).
- Remove 24 month limitation on mental illness (TA'ed on 6/12/17).
- Remove pre-existing condition limitation (TA'ed on 6/12/17).
- Remove 24 month limitation on substance abuse.

**Library Position:**

- Change current Carrier and Plan to Principal Financial, Principal Network
- Increase maximum monthly limit from \$3000 to \$3500 (TA'ed on 6/12/17).
- Limitations/Exclusions (inconsistent with parties' TA):
  - Mental health 24 month benefit limit
  - Pre-existing condition exclusion - 3 months/12 months
- Change negotiated carrier to Employer reserves "right to change Insurance Carrier provided it gives the Union thirty (30) calendar days' notice and provides substantially equivalent benefits."

As noted, the monthly benefit has been TA'd as well as removing the 24 month limitation on mental illness and removing pre-existing conditions. The only point left in the Associations' position is remove 24 month limitation on substance abuse. This Fact Finder will not so recommend. The reason is simple. The parties on the contents of the plan seem to be able to negotiate an agreement. They were not able to negotiate agreement on the limitation on substance abuse which suggests to this Fact Finder that, if left to their own devices, the parties under the art of the possible would have dropped this requirement and, therefore, this Fact Finder will not recommend the removal of the 24 month limitation on substance abuse.

As to the Library's positions concerning the carrier and the right to change insurance carrier, these provisions have already been rejected by this Fact Finder and, again, are rejected and the issues of mental health and pre-existing condition and raising the \$3,500 have been TA'd. Therefore, this Fact Finder will make the following Recommendation.

RECOMMENDATION: Adopt the monthly benefit has been TA'd as well as removing the 24 month limitation on mental illness and removing pre-existing conditions.

F. Unit Sick Bank - Short-Term Disability Plan

In Section 42 of the Librarian's contract entitled "Unit Sick Leave Bank", the parties have provided that Librarians contribute from their sick leave accumulation to a unit sick bank to be used by those member after exhausting the first 20 days of illness or disability. Section 45 entitled "Unit Sick Leave Bank" in the Support Staff contract has a similar provision with some differences. Currently, there are 119 days in the Librarian unit sick bank and 175 days in the Support Unit sick bank. The parties have presented the following positions concerning the unit sick banks:

**Association Position:**

- MAINTAIN CURRENT NEGOTIATED UNIT SICK BANK
- EMPLOYER FUND UNIT SICK BANK TO 190 DAYS FOR LIBRARIANS
- LANGUAGE CHANGES TO STRENGTHEN UNIT SICK BANK INCLUDING EXHAUSTION OF EMPLOYEES ACCRUED LEAVE TIME, INCREASE LIMIT ON NUMBER OF UNIT SICK BANK DAYS AVAILABLE FROM 20 TO 40 DAYS, LIMIT UNIT SICK BANK TO 90 CALENDAR DAYS.
- ALLOW FOR UNUSED SICK DAYS IN EXCESS OF CURRENT 60 DAY LIMIT TO GO INTO SICK BANK RATHER THAN BE LOST.

**Library Position:**

- ELIMINATE CURRENT UNIT SICK BANK NEGOTIATED PROVISION AND REPLACE WITH EMPLOYER PAID SHORT TERM DISABILITY PLAN.
- ELIMINATE EXISTING 119 DAYS IN THE LIBRARIAN UNIT SICK BANK.
- ELIMINATE EXISTING 175 DAYS IN THE SUPPORT UNIT SICK BANK.
- EMPLOYER PROPOSES NO LANGUAGE RE: EMPLOYER PAID MEDICAL INSURANCE WHILE MEMBER ON STD.
- EMPLOYER PROPOSES NO LANGUAGE RE: EMPLOYER PAID VISION, DENTAL, LIFE AND LTD INSURANCE WHILE MEMBER ON STD.
- EMPLOYER PROPOSES NO LANGUAGE RE: ACCRUAL OF SICK LEAVE WHILE MEMBER ON STD.
- EMPLOYER PROPOSES NO LANGUAGE RE: ACCRUAL OF VACATION TIME WHILE MEMBER ON STD.

- EMPLOYER PROPOSES NO LANGUAGE RE:  
CONTRACTUAL HOLIDAY PAY WHILE MEMBER ON  
STD.

As noted, the Associations want the Library to fund the Librarian unit's bank to 190 days and to make other changes as to the use of the unit sick bank days and provisions concerning unused sick days.

The Library proposes to eliminate the unit sick bank and replace the bank with an Employer-paid short-term disability plan.

During the fact finding, the issue arose as to payment to the employees for the time for the sick days that the employees have contributed to the respective banks that are still available since the Employer is proposing to eliminate the unit sick bank concept.

This Fact Finder, considering the criteria, concludes to recommend that the status quo remain. The unit sick bank concept has been in the contract for some time. There was a serious dispute as to the payment to be made to employees for existing unit sick bank time that would be eliminated if a short-term disability plan was adopted. Applying the bargaining history criteria, the parties in the view of this Fact Finder seem to be so embroiled in other issues, particularly insurance, that this Fact Finder is not convinced with the open issue of compensation and insurance that the parties would have reached agreement on this issue. This is an issue that needs more time at the negotiation table than was given. It may be that in the end, under the art of the possible, the status quo would well have been maintained, given the fact that this is a contract ending on December 31, 2018. Then, too, if the unit sick bank was not to be eliminated, then the question is whether the parties would have made the changes proposed by the Associations. Based upon this analysis as to the applicable criteria at this time, due to the fact that this matter needs far more discussion at the bargaining table than what appears to have gone on in this bargaining cycle, this Fact Finder will recommend the status quo, namely, continue the current language in both contracts.

RECOMMENDATION: It is recommended as to the unit sick bank - short-term disability insurance that there be no short-term disability insurance but, rather, the current language as to unit sick bank in each contract shall continue without any further modification or requested additions to the amounts in the banks.

#### G. Miscellaneous

The following three items were not set forth in the Petitions for Fact Finding but were referenced in the answer to the Petition filed by the Library where it was noted:

- 7) Early Retirement: The Library proposes a voluntary early retirement program for employees who are age sixty (60) and have ten (10) years of service.

- 8) Parenting Leave: The Library proposes the introduction of paid parenting leave.
- 9) Sick Leave/New Hires: The library proposes to codify existing practice regarding access to paid sick leave for new hires.

As to the parenting leave, the Library proposes to delete Paragraph 61 addressing pregnancy leaves and propose the following language:

Male and female employees, upon prior written request to the Director, shall receive ten (10) paid work days as parenting leave to attend to a newborn or newly adopted child. This parenting leave is to be in addition to any sick leave, vacation, personal leave days or unpaid leave that the employee is eligible to receive. The two week parenting leave shall run concurrent with FMLA leave.

This Fact Finder noted that there was little attention paid to this provision in the hearings. As the Fact Finder reviews the proposal, the question is whether this proposal is acceptable to the Associations. If it is not, then the Fact Finder will not recommend its adoption, absent more negotiations or a bargaining history that dictates that the parties would have adopted this provision. Therefore, the recommendation as to parenting will be if the Associations are agreeable, it shall be adopted. If not, then the provision will not be recommended.

As to sick leave for new hires, the Library has proposed a codification of what apparently is the practice. The proposal is:

9. Sick Leave/New Hires: Amend Paragraph 39 as follows (this is only intended to codify existing practice, not to make any change):

(39) Each Librarian shall receive twelve (12) days of sick leave allowance per fiscal year. A Librarian in her/his first year of employment shall receive accrue these days at the rate of one (1) day of sick leave for each month in which the Librarian worked a majority of the scheduled work days, but shall not be eligible to use those days until completing six (6) months of employment. Unused full-time sick days shall accumulate to a maximum of sixty (60) days.

Unless it is shown that this is not the practice, this Fact Finder recommends this amendment for it would seem that under the art of the possible such codification would be adopted.

As to early retirement, the Library proposed:

Early retirement: The Library proposes a voluntary early retirement incentive based on the following parameters:

- a) Age 60+ with 10+ years of service;
- b) Sixty (60) calendar day window to decide whether to retire; window would start on July 1, 2017; retirement would be effective at the end of the window;
- c) Three (3) months base salary would be paid to the retiree in the same increments as biweekly pay;
- d) Employee/retiree would acknowledge he/she would not be eligible for unemployment insurance benefits;
- e) Employee/retiree would sign an irrevocable letter of retirement;
- f) Employee/retiree would sign a severance agreement releasing the Library, MEA and their related officials from any liability.

This Fact Finder would normally be inclined to recommend the adoption of such a voluntary proposal. The problem in this case is that because of the failure to reach an agreement by July 1, 2017 the proposal as worded cannot be effective because the window period has long passed. For this reason, at this point in time, this Fact Finder cannot recommend that the voluntary early retirement program be adopted.

RECOMMENDATION: As to the parenting proposal, only if the Associations agree will this Fact Finder recommend that the parenting language be adopted.

Assuming that the amendment to the sick leave language represents the practice as to new employees, this Fact Finder recommends the adoption of the language as proposed by the Library.

As to the early retirement language, for the reasons stated in the above discussion, this Fact Finder does not recommend the adoption of the early retirement language.

### CONCLUSION

This Fact Finder appreciates that the central issue causing these parties to reach impasse requiring fact finding was the health insurance and auxiliary insurance issues. To some extent, these overwhelming issues prevented the parties from addressing, in depth, some other issues. Nevertheless, this Fact Finder concludes since there was no appreciative difference in cost and between continuing the MESSA plans and with guaranteed rates for the life of the contract and Blue Cross adjusting rates, coupled with the overwhelming desire of the Library staff to continue with MESSA, there was no viable reason to make the change. This Fact Finder, referring to the dynamics of the entire situation plus his conclusions on the insurance issues, has attempted to balance the recommendations, recognizing the interests of all parties and hopefully providing guidance for the parties to come to a mutual agreement based upon the recommendations on a

Collective Bargaining Agreement that ends on December 31, 2018.

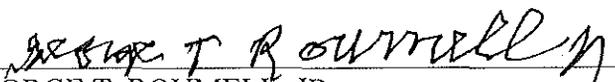
**6. SUMMARY OF RECOMMENDATIONS<sup>3</sup>**

ISSUE	RECOMMENDATION
Insurance	The Library shall provide employees with MESSA ABC1 and MESSA Choices with the auxiliary insurances – dental, vision, long-term disability and life insurance – being purchased by the Library through the MESSA PAK with the carriers and plans proposed by MESSA. The employees shall pay 20% of the premiums for the health care insurance, whether the MESSA ABC1 or MESSA Choices. For employees electing MESSA ABC1, the Library shall contribute a percentage of the deductible as the Library previously has paid toward the employee’s HSA. There shall be no provision for a re-opener as to insurance or the right of the Library to change carriers.
Insurance Waiver	Employees who elect to waive medical insurance and dental and vision shall receive an annual opt out amount of \$5,500 pro-rated for part-time bargaining unit members working 20+ hours per week, whether the employee is receiving the \$5,500 opt out or the \$3,000 opt out. For those employees seeking to have the Library provide dental and vision insurance, the opt out shall be \$3,000 annually for those employees who waive medical insurance pro-rated for part-time bargaining unit members working 20+ hours per week. The employees, in any event, who opt out will receive long-term disability and life insurance.
Wages	Effective July 1, 2017, there shall be a 3% across-the-board wage increase to all steps in the current wage scale for both units, but not retroactive due to PA 54. Effective July 1, 2018, there shall be a 2% across-the-board increase to all steps in the then current wage scale for both units.

---

<sup>3</sup> The Summary is just that. And, if there is a discrepancy between the Summary and the Recommendations set forth in the body of this Report, the recommendation in the body of the Report controls.

Severance Benefit Sick Leave Payout	It is recommended that as to the Librarian contract that the current language as to payment of 50% of the per diem rate for accumulated personal sick leave days up to a maximum of 30 days upon retirement remain and that the same language be adopted in the Support Personnel contract.
Long-Term Disability	The long-term disability insurance will be carried by the carrier provided by MESSA through its PAK. The provisions as to the long-term disability shall be as TA'd by the parties. No other additional provisions are recommended.
Unit Sick Bank - Short-Term Disability Plan	Status quo. The unit sick bank provisions in each of the contracts shall remain as is. The proposals of both the MEA and the Library, including the proposal for short-term disability insurance is rejected.
Miscellaneous	The Library's language as to voluntary early retirement is not recommended. The Library's language as to parenting leave is only recommended if agreed to by the Associations. If not, the parenting provision is not recommended. The provision codifying sick leave eligibility for new employees if in fact represents the parties' practice is recommended. If not, then the proposed language is not recommended.

  
 GEORGE T. ROUMELL, JR.  
 Fact Finder

November 16, 2017