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STATE OF MICHIGAN
DEPARTMENT OF LABOR
EMPLOYMENT RELATIONS COMMISSION

IN THE MATTER OF FACT FINDING

BETWEEN

CITY OF ANN ARBOR

AND

LOCAL UNION 214
TEAMSTERS STATE, COUNTY AND
MUNICIPAL WORKERS

Lawrence Rattner

REFERENCE

MERC FACT FINDING

CASE NO. D85 D-1272

REPORT AND RECOMMENDATIONS

OF THE FACT FINDER

Ann Arbor, City of

On March 7, 1986, the Michigan Employment Relations Commission appointed the undersigned as its Fact Finder and Agent for the purposes of conducting hearings pursuant to Section 25 of Act 176 of Public Acts of 1939, as amended, and pursuant to the Commission's Regulations. The following is a Report and Recommendations with respect to the matters in dispute between the parties. A hearing was commenced at approximately 2:30 p.m., May 9, 1986 and was recessed at 5:30 p.m. Each party submitted a Fact Finding Report with exhibits and, following the hearing, the City of Ann Arbor furnished the Fact Finder with a tape recording of the Ann Arbor City Council's discussion and adoption of a resolution establishing Martin Luther King, Jr.'s birthday as an official City holiday. The Fact Finder was also furnished a copy of the 1986-87 proposed Ann Arbor City Budget.

FACT FINDER AND AGENT: Lawrence W. Rattner

REPRESENTING THE PARTIES:

CITY OF ANN ARBOR:

Richard Parker, Labor Negotiator
Robert Scott, Personnel Director
Ronald Olsen, Superintendant of Parks and Recreation
Donald L. Mason, Assistant City Administrator
Budget & Administrative Services
John Robbins, Director of Transportation

Michigan State University
LABOR AND INDUSTRIAL
RELATIONS LIBRARY

UNION:

James Markley, Business Representative
Mike Scott
A.D. Bailey
James Wilson, Chief Steward
Chris McCown

1986 SEP - 8 AM 9:57
STATE OF MICHIGAN
EMPLOYMENT RELATIONS COMMISSION
DETROIT OFFICE

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INTRODUCTION

The City of Ann Arbor and Local Union 214 of the Teamsters Union had been parties to a three year collective bargaining agreement. The term of the agreement was July 1, 1982 through June 30, 1985.

Formal negotiations for the successor agreement continued through the fall of 1985 and into the early winter of 1986. The parties submitted to arbitration but were unable to resolve certain issues. On January 31, 1986, a Petition for Fact Finding was filed by the Union and listed as matters still in dispute: compensatory time, bargaining unit preference on vacancies in the unit, employee liability insurance concerning the loss or damage of City equipment, wages, and finally, the request by the Union for an additional paid holiday on Martin Luther King, Jr.'s birthday, as matters still in dispute. Bargaining continued, and on March 3, 1986, City Administrator Godfrey W. Collins furnished the Union a letter which purported to reduce to writing the understanding reached between the parties February 5 and March 3, 1986, together with the City's final position regarding the addition of Martin Luther King, Jr.'s birthday as a paid holiday. The letter discusses most of the issues enumerated by the Union in its Petition for Fact Finding, and in addition refers to provisions in the former contract dealing with life insurance coverage, the duration of the agreement and classifications in the bargaining unit. This last issue presumably has some relevance either to the Union's request for bargaining unit preference on vacancies or a

subsequent request by the City that classification 0203 (Engineering Technician IV) be removed as a classification of the bargaining unit. The letter of understanding does not discuss the employee liability insurance issue.

In April 1986, a proposed contract, presumably containing the provisions set out in the March 3, 1986 letter of understanding, was submitted to the bargaining unit and rejected.

The issues presented the Fact Finder were those enumerated in the Union's Petition for Fact Finding and one additional issue discussed by consent of both parties, namely: the status of Engineering Technician IV within the bargaining unit.

CONSIDERATIONS

Although this report will address each of the issues presented by the parties, it seems clear that the parties had, prior to the March 3 letter of understanding, reached substantial agreement on all issues save one: the addition of Martin Luther King, Jr.'s birthday as a paid City holiday. The City's position, however, is that the addition of a paid holiday would skewer its position on all of the other issues. The City insists that the holiday issue is the linchpin of the agreement and that it should affect the give-and-take between the parties on such substantial issues as wages and compensation time. All issues, according to the City, are inextricably related.

The Union, on the other hand, would prefer not to bargain concerning the holiday issue. The former collective bargaining agreement contains what is referred to by the parties

as "me too" language providing for regular compensation for certain enumerated holidays and for "any other day or part of a day proclaimed in writing as a City holiday." (Collective bargaining agreement, Article 27). Further, all of the collective bargaining agreements in force with the City contain similar language and, it is presumed, that all future agreements will contain such language. Thus, argues the union, if no action is taken concerning Martin Luther King Day, it will automatically be added as a paid holiday by operation of the "me too" clause. And, this result will be assured by application of the several other collective bargaining agreements still in force in on the third Monday in January, 1987.

Thus, the City's position permits the Union to reopen discussion on issues which appear to have been settled. This opportunity would not have been available to the Union had the City been able to somehow separate consideration of the paid holiday issue from the other issues on the table. The Fact Finder would rather not have disturbed the agreement between the parties on these other issues, or demean the careful and exhaustive efforts of the parties to reach such agreement. The estimated \$150,000 it would cost the City to implement the additional paid holiday does not suggest that the holiday issue should be permitted to tear down the agreement between the parties, if any, on other issues. The intransigence of the parties, however, compels a review of all the issues separately.

Finally, the dispute over paid holidays has permitted the Union an emotional edge in these discussions. Martin Luther

King, Jr.'s birthday memorial, argues the Union, is merely a bargaining chip, something of value to be exchanged by an insensitive employer for something of equal or greater value. The Union then has the opportunity to argue that the City views the holiday issue as purely economic. Not only is this unsupported by the facts, claims the Union, it is evidence of the City's callous disregard for a spiritually significant occasion. Clearly there must be some middle ground. The Fact Finder has attempted to resolve the issue, albeit in favor of the Union, upon objective considerations and not in response to the emotion generated by the parties.

In the opinion of the Fact Finder, the holiday issue should be resolved at this time and not deferred for future consideration. Accordingly the remaining issues presented for fact finding must be reviewed as well. Although this report will attempt to preserve the the agreements which may have been reached by the parties on the other issues, it will alter, in certain instances, those agreements where it seems fair to do so.

WAGES AND SALARIES: ARTICLE 33 (NEW ARTICLE)

POSITIONS OF THE PARTIES:

In the March 3, 1986 letter of understanding, the parties agreed to an across the board retroactive 3% pay increase effective July 1, 1985. This provision was related, however, to agreements between the parties to change Article 19 (Work Schedule) and Article 23 (Classifications In Bargaining Unit). Those changes are contained, as well, in the letter of understanding. In addition, on Page 5 of the March 3 letter, the

parties agreed that the Union would benefit from any general wage increase in excess of 3% granted for the fiscal year 1987-88 to any other certified bargaining unit in the City. There was little discussion during the fact finding session regarding the respective positions of the parties prior to the March 3 letter. It appears, however, that a 3% increase for each of the 3 years of the new contract, retroactive to July 1985, would be consistent with other pay increases granted in prior years by collective bargaining agreements between the City and its other bargaining units. Although the Local 214 - City contract is the first new contract to be negotiated in the current round of bargaining sessions, the provisions of the other contracts still in effect are helpful in assessing the City's position. The Union, on the other hand, in its Fact Finding Report, emphasizes the apparent narrowing of the gap between wages paid the Union's supervisory unit and the wages of AFSCME unit supervised by it. The Union notes that employees being supervised have narrowed that gap and in some instances are receiving more pay than their supervisors.

OPINION AND RECOMMENDATION:

The Fact Finder adopts the language of the March 3 letter agreement, referring to wages and salaries, including the letter of understanding recited on Page 5 which ties the Union's wage increase to any general wage rate increase granted to any other certified bargaining unit in the City. This language satisfies the City's interest in providing its workers with a pay increase consistent with prior years' increases and the Union's

concern that it is being out-bargained by other City bargaining units.

It seems clear that the parties would have reached this result regardless of any agreement between them on the holiday issue. The respective arguments and concerns of the parties with regard to wages do not refer to the holiday issue but rather to more traditional concerns: comparability between other bargaining units both in the City of Ann Arbor and elsewhere, and consistency of pay increases over the years.

COMPENSATORY TIME: ARTICLE 19 (WORK SCHEDULE)

POSITIONS OF THE PARTIES:

The former collective bargaining agreement provides in Article 19 (c) that time and a half be paid to supervisory personnel Range 24 and below. The March 3 letter provides for time and a half pay to employees in Range 25 and below. The City's position on this issue, prior to March 3, 1986, was presumably to hold the line at Range 24. The Union's position, as stated in its Fact Finding Report, requests time and a half pay for all supervisory employees. The Union reasons that the overtime work by all supervisory employees should be valued equally. The City, on the other hand, notes that the nature of the work done by the supervisory unit and the responsibility accorded each employee creates intangible incentives to perform overtime and emergency work without regard for immediate financial reward.

OPINION AND RECOMMENDATION:

In this instance, the Fact Finder rejects the agreement

set out in the March 3 letter agreement and adopts the Union's position regarding time and a half pay for all supervisory employees. Although the City suggests that supervisory employees are imbued with the same sense and spirit of responsibility as supervisory employees in industry, they concede that the opportunity for advancement and remuneration afforded private sector employees is not available to employees in the bargaining unit. Further, it was pointed out in discussion that a supervisory employee, when called to work overtime or to respond to an emergency situation, often in fact performs the same job as other employees who receive time and a half pay or compensation time for their efforts. Finally, it is noted that the City retains certain control over the form of payment, i.e. in cash or compensatory time. Time and a half pay for all supervisory employees eliminates the need to challenge or change the City's right and ability to pay for overtime, in cash or comp. time, as it best serves the City, and, provides tangible work incentives to the bargaining unit employees.

LOSS OR DAMAGE OF CITY EQUIPMENT

POSITIONS OF THE PARTIES:

This new provision, requested by the City, would provide that the bargaining unit employees must maintain vehicle liability insurance on vehicles owned by them to insure against the loss or damage to City equipment and property while using their vehicles on company time. The Union, prior to the fact finding session, apparently believed that the City had withdrawn

this demand but, in any event, opposes the City's request.

OPINION AND RECOMMENDATION:

Imposition of mandatory automobile liability insurance for personal vehicles used in the course of employment would, in the opinion of the fact finder, be arbitrary and cause undue hardship to the bargaining unit.

Each member of the bargaining unit may have different driving records and accident experience. Thus, the financial burden imposed by the proposed insurance provision might be different for each member of the bargaining unit. In addition, a provision of this sort, because of financial hardship, make it impossible for certain employees to use their vehicles on city business even in cases of emergency. Presumably, if an accident did occur, the city is insured against against any catastrophic loss or damage. Additional insurance coverage provided by the employees would seem unnecessary, especially in view of the resulting employee reluctance to use their personal vehicles on company business.

Unresolved, as well, is the question of whether the city can, as a matter of law, collect against its employee for a property damage loss caused in the course of the employee's employment. Even if recovery is permitted, the city might avail itself of the various statutes providing remedies for negligent conduct and collection of damages.

Nothing in the insurance provision proposed by the city deals with the basic inequity which would result.

VACANCIES: ARTICLE 13

POSITIONS OF THE PARTIES:

The positions of the parties are set out in Exhibit E.

OPINION AND RECOMMENDATION:

Again, the fact finder adopts the language of the March 3 letter agreement and restated in the Fact Finding Report on behalf of the union. While there was some discussion at the fact finding session regarding this issue, it was generally agreed that the language proposed by both parties was still acceptable.

REMOVAL OF ENGINEERING TECHNICIAN IV
FROM BARGAINING UNIT ARTICLE 32

POSITIONS OF THE PARTIES:

City: No subordinate personnel report to this position. Therefore it is not supervisory and not a proper classification in the bargaining unit.

Union: Subordinates do, on occasion, report to Engineering Tech IV. In any event, collective bargaining may not be the proper forum to change classifications.

OPINION AND RECOMMENDATION:

Although the Tech IV job description was redefined in 1984, it was not clearly described as a nonsupervisory position. Further, nobody is presently serving in that position. It seems prudent, then, to maintain the classification until such time it can be determined whether the person actually serving as an Engineer Tech IV is acting in a supervisory capacity. No action should be taken at this time eliminate the classification from the bargaining unit.

MARTIN LUTHER KING DAY ISSUE - ARTICLE 27

POSITIONS OF THE PARTIES:

City: The City proposes that Martin Luther King Day, the third Monday in January, be added to the list of holidays set out in Article 27 and that the employee's birthday holiday be removed from that list. Under this plan, the number of paid holidays would remain at 11 1/2.

Union: The Union proposes that Martin Luther King Day be added as a paid holiday. Under the Union proposal, the bargaining unit would receive 12 1/2 paid holidays.

OPINION AND RECOMMENDATION:

The City has estimated the cost of an extra paid holiday for its entire work force, including Local 214's bargaining unit, at \$115,600. This would presumably be paid from either the estimated 1986-87 revenues in the amount of \$43 million, or from the unreserved fund balance. (1986-87 Proposed Budget, City of Ann Arbor, Michigan). Had an extra paid holiday been implemented in the 1985-86 fiscal year, the cost of that holiday would have been paid from an estimated surplus of \$1.2 million. Although the 1985-86 surplus has been included in the proposed beginning unreserved fund balance, the City intends to use that surplus and has added it to estimated revenues during the 1986-87 fiscal year. Thus, with estimated revenues equaling proposed expenditures, the City claims there is no money available for any expenditures in addition to those set out in the proposed 1986-87 budget. This argument, however, ignores the estimated beginning unreserved fund balance, 1985-86 of \$2.1

million and a proposed ending unreserved fund balance of an equal amount. Moreover, the unreserved fund balance steadily increased during the period 1977-78 through 1982-83, from \$1.6 million to \$3.2 million. And, although the unreserved fund balance was reduced by one-half in 1983-84, presumably as a result of a \$1.4 million deficit the year before, it reached a high point for the ten year period, \$3.3 million, at the end of the 1985-86 fiscal year. Further evidence of the city's general fiscal health is a proposed increase in expenditures of approximately \$2.7 million in 1986-87.

Finally, there is the Union's argument that, sophisticated budget analysis aside, the City must reassess its priorities vis-a-vis expenditures to accomodate this particular extra paid holiday. The cost of implementing the Union proposal is nominal when considered against the spiritual significance of the occasion. Similarly, and in accord with the stated purpose of the City Council (Exhibit resolution and transcript), declaring that Dr. King's birthday is an extra paid holiday would demonstrate to the community that the City's memorial to Dr. King is unequivocal and unalloyed.

A fair interpretation of the Council's discussion of this subject (see transcript of Council meeting, Exhibit F) and consideration of its legislative intent suggest that, although the Council hoped that its action would not result in an extra paid holiday, it did not act in any way to prevent this result. By hedging on the issue, the Council left the door open for a contrary result. Repeatedly in these proceedings, the

Councilpersons who resisted the resolution raised the question of its effect on the list of paid holidays. At no time, however, did the Council respond by limiting the resolution or qualifying its effect by any formal resolution or ancillary proceeding. Moreover, one of the resolution's sponsors, Councilman Hunter, made the following statement in response to queries about the issue:

I'd like to make it known...that next week we [Councilpersons Hunter and Epton] intend...to bring a resolution back which...without touching this original resolution...will make the enactment of this [Martin Luther King Day] as a city holiday contingent upon...taking back one of those paid holidays that the city employees currently have.

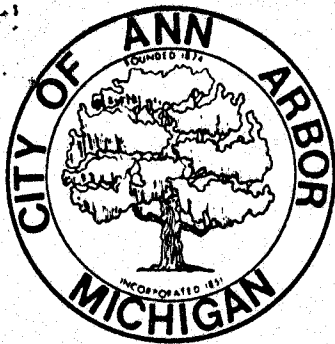
The Fact Finder does not believe that any such resolution was proposed or, if proposed, passed by Council. This, notwithstanding the Council's full understanding of the resolution's impact pursuant to a Human Rights Commission memo dated November 25, 1985, more than a month prior to the subject council session. (Exhibit G). One must conclude that the Council did not, in fact, intend to qualify their resolution. It would seem then that the Council's sense of the resolution is more accurately reflected by another remark made by Councilperson Hunter: "...I want to be especially careful that this day is not held hostage, in a sense, to the various kinds of things we have to do, considering costs of holidays and whatnot..." Later in the discussion, Epton concluded, "...I think that it's important that this day be remembered not just as a day in support of Dr. Martin Luther King and his principles...it should be in the spirit of rededication and the truth, and the truth," warned

Epton, "sometimes hurts."

The Fact Finder concludes that the addition of Martin Luther King Day as a paid holiday will not be as painful to the City as the consequences which would occur if the Union's proposal is rejected.

LAWRENCE W. RATNER
FACT FINDER

Dated: September 4, 1986



CITY OF ANN ARBOR, MICHIGAN

100 North Fifth Avenue, P.O. Box 8647, Ann Arbor, Michigan 48107
Phone (313) 994-2650

Office of The City Administrator

March 3, 1986

Mr. James Markley
Business Representative
Teamsters Local 214
2801 Trumbull Avenue
Detroit, MI 48216

Dear Mr. Markley:

The following contractual language changes reflect the understandings which were reached in meetings held in my office on Wednesday February 5, and Monday, March 3, 1986 plus the city's final position on the Martin Luther King holiday issue.

Article 13 - Vacancies

Third and fourth paragraphs to be rewritten to read as follows:

It is understood that vacancies or new positions in any entry level bargaining unit position may be filled in any manner and by any person the City decides upon. Provided, however, where the qualifications, ability, skill, interest, and work record of a bargaining unit member and a non-bargaining unit member are judged relatively equal by management, it is understood and agreed that the bargaining unit member will be awarded the position. Provided further, that employees in nonentry level positions shall be permitted to demote to an entry level position which they have previously held prior to the position being filled in another manner. A position is an entry level position if there is no other bargaining position subordinate to that position. The current bargaining unit positions are contained in Section 32; entry and nonentry level positions are indicated.

Employees who fill vacancies by promotion, or transfer or voluntary demotion shall be placed on three (3) months probation. During that time, the employee may be returned to his previous position by the Employer or at his own request.

EXHIBIT A

Article 19 - Work Schedule

Sections b and c to be changed as follows:

- b. The employer has the right to schedule overtime work as required in a manner most advantageous to the department for employees in range 25 and below and consistent with the requirements of municipal employment.
- c. Any time worked in excess of eight (8) hours a day and any time worked in excess of forty (40) hours a week shall be considered overtime. Employees in range 25 and below shall be compensated for overtime by payment at time and one-half, which may be received in cash or in compensatory time off, as requested by the employee. The department head or his designate will be the determining authority on the necessity for overtime. Employees range 26 and above shall receive compensatory time on a straight time basis or cash payment on a straight time basis if approved by the city administrator.

Article 25 - Life Insurance Coverage

Add the following as new material at the end of section c.

Retiring employees as identified in Section 25a may convert the optional insurance up to \$3,000 for their spouse into a straight life policy without proof of insurability. Provided, however, individuals in this category shall not be included in the same group as the spouses of active employees.

The premium for coverage under this section shall be paid entirely by the employee or retiree.

Article 27 - Compensation for Absence or Holidays

Add the following paragraph at the end of the article:

Effective January 1, 1987 Martin Luther King's Birthday will be added to the above list of holidays and the employee's birthday will be deleted from such list.

Article 33 - Wages and Salaries

New Article to be Worded as Follows:

A. All employees in the bargaining unit will receive a three percent (3%) pay increase effective retroactive to July 1, 1985. This retroactive increase shall apply to all pay matters (i.e. straight time pay, overtime, certification premium pay, sick leave, personal leave, vacation, holiday pay and workers compensation supplement) calculated on the basis of the classification and pay ranges in effect as the time originally paid. The changes made in this contract in Articles 19 b and c and Article 32 are effective upon the execution of this agreement only.

Article 33 - Wages and Salaries, cont'd.

- B. All employees in the bargaining unit will receive a three percent (3%) pay increase effective July 1, 1986.
- C. All employees in the bargaining unit will receive a three percent (3%) pay increase effective July 1, 1987.

Article 34 - Duration of Agreement

This agreement shall become effective upon its date of execution, except for those items made retroactive to July 1, 1985, and shall remain in full force and effect through the 30th day of June, 1988 and from year to year thereafter unless either party hereto serves a written notice upon the other at least sixty (60) calendar days prior to the expiration date or sixty (60) calendar days prior to the expiration of any subsequent automatic release period of its intention to amend, modify, or terminate this agreement.

IN WITNESS WHEREOF, the parties hereto have hereunder set their hands the day and year first above written.

32 - Classification in Bargaining Unit

Change as Follows:

The following schedule shows all classifications in this bargaining unit:

<u>Classification</u>	<u>Range</u>
<u>Entry Level Positions</u>	
0619 Administrative Assistant - Field	23
0672 Administrative Assistant - Parking Systems	23
0605 Assistant Building Supervisor	20
0670 Assistant Parking System Manager	23
0075 Customer Service Supervisor	26
0203 Engineering Technician IV (Technician and Supervisor)	25
0204 Engineering Technician Supervisor	30
0710 Forestry Foreman I	23
0282 Forestry Technician	24
0760 Garage Foreman I	23
0721 Golf Course Supervisor	25
0722 Golf Pro Shop Supervisor	21
0446 Housing Inspection Supervisor	30
0614 Landfill Foreman	23
0616 Landfill/Solid Waste Swing Foreman	23
0702 Parks Maintenance Foreman	23
0865 Records System Supervisor	16
0303 Recreation Facility Supervisor I	21
0615 Solid Waste Foreman	23
0625 Streets Foreman	23
0678 Traffic Sign and Signal Supervisor	30

Article 32 - Classification in Bargaining Unit, cont'd.

0631	Utilities Maintenance Foreman	23
0746	Utility Maintenance Supervisor	27
0733	Waste Water Plant Operator III	24
0736	Water Plant Operator III	<u>24</u>

Nonentry Level Positions

0606	Building Superintendent	24
0690	Communication Supervisor	30
0711	Forestry Foreman II	24
0761	Garage Foreman II	24
0671	Parking System Manager	31
0715	Parks Maintenance Supervisor	30
0635	Streets Maintenance Supervisor	<u>30</u>
0302	Recreation Facility Supervisor II	23
0304	Recreation Facility Supervisor III	25
0617	Solid Waste Field Operations Supervisor	30
0639	Utilities Maintenance Supervisor	<u>30</u>

Reclassification requests will be acted upon within six months of submission.

LETTER OF UNDERSTANDING

It is agreed by the city and the Union that if any other certified bargaining unit in the city receives the Martin Luther King birthday as a holiday in addition to the holidays already received by such bargaining unit, then the employees of this bargaining unit will also receive the additional holiday as well as their birthday as a listed holiday. Provided, however, that this Letter of Understanding will not apply if any other bargaining unit subject to Act 312 receives the Martin Luther King birthday in addition to the holidays already received as a result of an award or stipulated award pursuant to Act 312.

Provided further, however, that if any other bargaining unit does not receive the Martin Luther King birthday as a holiday in addition to the holidays already received by such bargaining unit as provided above, then effective January 1, 1987 employees of this bargaining unit shall be entitled to use a personal leave day in order to continue to take their birthday off. Instead of taking their actual birthday off, employees at their discretion may take off any work day within seven (7) working days before or after their actual birthday. The employee must notify his/her supervisor seven (7) working days prior to taking their birthday off.

IN WITNESS WHEREOF the parties hereto have carried this instrument to be executed on the day and year written below.

LETTER OF UNDERSTANDING

It is agreed by the city that any general wage rate increase in excess of 3% granted for the fiscal year 1987-88 to any other certified bargaining unit in the city will also apply to the members of this bargaining unit for fiscal year July 1, 1987 to June 30, 1988.

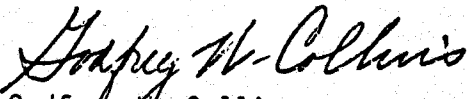
However, it is also agreed that this letter of understanding will not apply if any bargaining unit subject to Act 312 receives a general wage increase in excess of 3% for the fiscal year starting July 1, 1987, as the result of an award or a stipulated award pursuant to Act 312.

IN WITNESS WHEREOF the parties hereto have caused the instrument to be executed on the day and year written below.

The above changes, if approved by your union, plus the tentative agreements already reached (attached) will constitute our settlement agreement.

Please notify me as soon as your side has ratified the agreement so that we may proceed to secure the City Council ratification.

Sincerely,


Godfrey W. Collins
City Administrator

GWC/m

Attachments

C/ Richard Parker
Jim Wilson

B

Resolution Honoring the Life and Work of
Dr. Martin Luther King, Jr.

Whereas, the third Monday in January is, by Federal law, a day set aside to honor the life, work and memory of Dr. Martin Luther King, Jr.

Dr. King's leadership of, and participation in, the Civil Rights movement contributed to the strengthening of democracy and the spread of justice in our country.

His life ended in Memphis where he had gone in support of striking garbagemen; in support of decent wages and decent working conditions.

His passionate non-violence, his commitment to ending exploitation, is a message to us all demanding that we continue to struggle for peace and justice.

Dr. King's life has so recently passed us by that his memory and message continue to provoke outrage and controversy.

The assistant director of the FBI said about Dr King in 1963, "We must mark King now, if we have not done so before, as the most dangerous Negro of the future in this nation."

Dr. King, himself said this, "The dispossessed of this nation - the poor, both white and Negro - live in a cruelly unjust society"; therefore, "they must organize a revolution against that injustice, not against the lives of their fellow citizens, but against the structures through which society is refusing ... to lift the load of poverty."

Now therefore, does the Ann Arbor City Council resolve that honor to this "most dangerous" man includes our commitment to his message of social justice.

We commit ourselves to asking of ourselves those questions which Dr. King would have asked of us.

We commit ourselves to confronting directly the problems of racism, poverty and social injustice still unsolved in our community and across the country.

And we commit ourselves to honoring Dr. King as we do Presidents Washington and Lincoln, by setting aside one day each year as an official holiday of the City of Ann Arbor, beginning the third Monday in January, 1987.

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(Councilmembers Hunter and Epton)

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EXHIBIT B

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- c) If an employee quits or is discharged prior to receiving his clothing and equipment purchase and maintenance allowance, he shall not be entitled to any portion thereof, nor shall he be required to reimburse the City for any portion thereof.

ARTICLE X - HOLIDAYS

Section 1: All employees of the City shall receive their regular compensation for the following holidays or parts thereof and any other day or part of a day proclaimed in writing as a City holiday by the Mayor upon the recommendation of the City Administrator, during which the public offices of the City are closed:

New Years Day
Lincoln's Birthday
Washington's Birthday
Good Friday (1/2 day)
Employee's Birthday
Memorial Day
July 4th
Labor Day
Veterans Day
Thanksgiving Day
Christmas Day
December 24 (1/2 day)
December 31 (1/2 day)

Section 2:

- a) In cases where an employee's assigned leave day falls on a holiday, he shall receive eight (8) hours of straight time compensation if he is working eight (8) hour shifts and ten (10) of straight time compensation if he is working ten (10) hour shifts. For example, i.e. an employee who is working the ten (10) hour day when a holiday falls on his/her assigned leave day shall be compensated for fifty (50) hours for that week. An employee who is working the eight (8) hour day when a holiday falls on his/her assigned leave day shall be compensated for forty-eight (48) hours for that week.
- b) Employees who are scheduled to work and do work on a holiday will receive two (2) times their regular hourly rate for the holiday and pay for that scheduled day. For example, i.e. employees working a ten (10) hour day and working on a holiday shall receive compensation for sixty (60) hours for that week. Employees working an eight (8) hour day and working a holiday shall receive compensation for fifty-six (56) hours for that week.

TRANSCRIPT OF ANN ARBOR CITY COUNCIL DISCUSSION
RE: MARTIN LUTHER KING, JR.'S BIRTHDAY HOLIDAY

JERNIGAN: I am very glad to see that the resolution is brought forward by Councilman Epton and Councilman Hunter and certainly we're all very supportive of Dr. King's being honored for the extraordinary accomplishments by having his birthday designated a national holiday. Our caucus also feels it is appropriate for the city of Ann Arbor to set aside a day in honor of Dr. King; considering tonight's resolution, two values associated with Dr. King come to mind very easily: fairness and responsibility. It seems to us that to be fair to our employees while acting in a responsible manner requires perhaps just a little clearer direction to the City Administrators than is included in the current resolution. The city employees now receive ten and a half holidays, plus their birthday, plus four personal days, plus a very attractive vacation package. The cost of adding an additional day ranges upwards of \$150,000. We feel that perhaps we should, if the makers of the resolution don't mind, negotiate or indicate to the City Administrator that he should negotiate with the various bargaining units to replace one of the current holidays with Dr. King's birthday and, in fact, not increase the costs dramatically to the city if that's alright.

EPTON: It was our intention that the Administrator try and imagine, uh, try and manage the creation of the day and situate it so that cost increases were negligible and because of the existence of labor contracts, it would therefore be necessary to try and negotiate the change with City Hall unions. We decided not to put any reference to those conditions in the resolution itself. That permits the Administrator as free a hand as possible. It is definitely our intent, and I don't mind saying so publicly, to ask the Administrator to proceed in that way. I have reservations about including any instructions to that effect in the resolution itself but, that so far as I'm concerned is entirely understood. If you'd be more comfortable with some language...

JERNIGAN: Let me think about it while the discussion is going on. OK? Thank you.

MAYOR: Further discussion of the resolution, Councilman Hunter.

HUNTER: I guess this for me, as you've indicated Mr. Mayor, has marked the end of seven days of events and programs in anticipation of this day. I would just have to indicate that I am personally sad that this was not a city holiday in 1986 and I am personally glad that we will work out a way for it to be a holiday in 1987. I think that I truly believe, personally for myself, and I hope all of you, believe in many of the dreams of Martin Luther King. Today as I watched the television and all across the nation I think that there was a new spirit, and a new

EXHIBIT D

type of recognition that took place throughout this country, and sort of reminded us of a couple of years ago, where there was the 20th anniversary of a march that had occurred in Washington -- and there were old people, young people, coming out to demonstrate and also trying to assist and giving support to making this holiday a reality. Now I was struck by people who had marched with Martin Luther King, who were even older than he was, getting out of busses and vans from as far away as California, New Orleans, getting out in wheelchairs, and leading the march. As a matter of fact, there were about two to three hundred people in the beginning of the march in wheelchairs and it really struck me as in terms how strong the principles and the life of Martin Luther King, how strong they were. I would hope that we could support this. I also have some concerns about the issues that Councilperson Jernigan raised and I think Jeff is correct, that we did discuss those things. I think it's important to give the Administrators the flexibility and tools to do what he needs to do to come up with a way to do it. I think one of the ironies of getting the City of Ann Arbor on target with many other cities around the nation is because of the very issue you raise, but I think that the way it's worded, to me (and I'm still open-minded about it) will give the City Administrator all range of the tools so that he can be flexible in coming up with a way to make this a reality for 1987; and I want to be especially careful that this day is not held hostage, in a sense, to the various kinds of things that we have to do, considering costs of holidays and whatnot. I'm very committed to making this a reality, and whether I'm here or not next year, I will be here in support in making sure this is a reality and that the City Hall is closed and that's it.

DEEM: I'm not completely sure I understand what I'm hearing. Are we talking about working out the day, a Martin Luther King day, within the framework of our present eleven and a half holidays, or are you talking about something additional?

HUNTER: Well, I'm talking about whichever method that the City Administrator chooses to try to make sure that this is a holiday, to give him that flexibility. I am not going to be presumptuous enough to say that the City Administrator can replace this day with that day or this day with that day. I think that he...

DEEM: No, I agree. Presumably, whatever the decision may ultimately be or the proposal may ultimately be, it will come back to Council...

HUNTER: Sure, maybe.

The final matter has to come back to Council. Any change in our labor contract, some of them are not settled, so that the final decision would be, if we change any of them, that'll also come back to you at least for information purposes.

DEAN: 312s don't come back to us.

No, 312 will not come back.

DEEM: Can I continue? This aside, I hadn't meant to comment on that at this particular moment. But, as you said earlier, it's been quite a week, and I think it's been a very exceptional week with a lot of upbeat comment on the bravery of the man and the courage of the man, and I think it's completely in order that his achievements in his very short life should be remembered and we should be reminded of them. And I, I will support the resolution on the basis that we've just discussed, but I would like to focus the attention of this resolution on Martin Luther King. I'm a little disturbed that we devote any space at all to a person who was apparently a bigot. We have always had bigots, we always had them and we will always have them, but I don't really think that this is the place to try to prove that they exist. I would be far more comfortable with this resolution were it possible to delete Paragraph 6 and 7 and to alter Paragraph 8 by saying: "Now, therefore, does the Ann Arbor City Council resolve that honor to this socially-conscious man includes our commitment to his message of social justice." And I would like to move that that amendment be made.

MAYOR: Which paragraphs are you asking me to delete?

DEEM: The one that starts with "The Assistant Director of the FBI..." who is not identified. I don't even know who we're even talking about here, and the following, which I don't think adds a thing to the resolution.

MAYOR: To the sponsor of the resolution...

DEEM: Well I move that it is.

MAYOR: Is there a second to Councilman Deem's motion? Councilman Rowe seconds. Do the sponsors of the resolution perceive this as a friendly amendment?

EPTON: I understand the desire to tone down the language in some places of this resolution. On the other hand, and I'm not completely in agreement that the language is so inflammatory to start with. I indicated earlier to Council member Deem that I would be willing to make some changes to accomodate a consensus, to make room for a consensus decision on the resolution. Council member Hunter can speak to this point as well, but I feel that, I've got no problem, for instance, with deleting the remark about the Assistant Director of the FBI. I've got no problem with then also eliminating the "most dangerous man" and I'm not sure that the "socially concious" appeals to me as the most appropriate substitute and would like to come up with, perhaps, another phrase, but I think that we should also keep in mind that Dr. King was in fact a very controversial person, a very controversial civil rights leader, a very controversial historical figure, and some of the movement that occurred in

this society as a result of his efforts was due in some ways to his refusing to bend or acquiesce in situations where it would have been far simpler personally for him to do so, and that, are we, if in fact we are going to honor Dr. King's memory, this resolution should retain some elements of the challenge to our society that he presented. For that reason, I would very much like to leave in the language of his very challenging statement about the dispossessed of this nation. It is not without application in present-day United States: we've got an infant mortality rate in Detroit which is roughly the equivalent of that in many third world countries, hunger is an endemic problem in this society, never solved. Dr. King spoke for minorities, he spoke for poor people. Many of the situations that those groups find themselves in at this point in time have still not been remedied, or in some cases and in some places, addressed. The, my own feeling is, that it is necessary to leave the language in the last paragraph before "Now, therefore...". I could accomodate myself to the other changes.

MAYOR: Councilman Deem?

DEEM: First of all, I didn't consider the reference to the Assistant Director of the FBI to be inflammatory. I have no feeling about him or her or whoever it might be. I really don't know who it was and I don't care, but it just seems to me that it's a distraction. To the extent that the next paragraph is a direct quote of Dr. King's, that doesn't concern me about putting that in at all. It just seems to me that if we took one out, that it would probably follow that the other one, from the standpoint of continuity, would...

EPTON: I could make ... continuity.

DEEM: How about "socially concious" as opposed to "most dangerous?"

MAYOR: Maybe the other maker of this resolution would perhaps care to...

HUNTER: I think that there are a couple of things, as I see it, that could be done to get some consensus here. I think that the one paragraph starting with the Assistant Director could be deleted and that the, in the first "Now, therefore, does the Arbor City Council, in order to resolve that honor just simply to Martin Luther King. I am very much committed to the rest of the language.

DEEM: It seems to work out to be a friendly amendment.

MAYOR: I really am assuming that ...I think it's not the smoothest, it's not the same kind of thing that I would write (laughter)...but I want to go on if I can. You know, I think you have a flow here and you have a context which is fairly important. We, at the present time in this county, you can't

find a person who would speak badly about Martin Luther King, but at the time that he was active and he was assassinated, there were all kinds of people who spoke terribly about him. And the quote that you mentioned about the Assistant Director of the FBI, who I'm sure was a Democrat, it was during a Democratic administration, that was the climate of the federal government toward Dr. King, and you can take that all out and the real reason of the resolution is because we're saying we want the City to have a holiday, if you want to, Councilman Deem, and you can allow it Councilman Epton, but you are certainly changing the tone of your resolution. I don't think there's anything wrong with the resolution the way you wrote it. I never really liked it when people want to come in and rewrite my whole resolution, when I spent all the time on it.

PETERSON: Well, I agree. I mean, certainly the key here is to get the holiday.

DEEM: That's the whole point really.

PETERSON: (CONTINUING): But I would like, if things are going to be friendly, if I could speak with I agree with what Ed said. Part of the purpose of the holiday is to return our history to ourselves and not only to have a day off, and the history of the civil rights movement is the history of a struggle, often very violent and often against government, against the FBI often. J. Edgar Hoover, the director, directed his personnel to infiltrate King's organization and to gather slanderous data on him. This is the reality, and I think that now, so many years later, we are on a point where we can recognize Dr. King's birthday as a national holiday strikes me as an important victory for a movement which was very controversial, very painful and required the ultimate sacrifice of many people. Then, and it's not something, it wasn't clean and it wasn't pretty then, and it required, again, sacrifice; it required the kinds of things that go into a movement for social transformation, and I think that the stakes of that battle are pretty well captured in even the language that I guess will survive the friendly amendment. But I think the odds against that are pretty well reflected in the quote from the Assistant Director and it reminds me, for instance, of one of the dignitaries who has been in his country and has participated in the celebration of Dr. King's legacy is Bishop Tutu from South Africa, who is not really a citizen in his own land, who is persecuted; his followers are shot down in the streets and whose own government is actively seeking to prevent what he stands for coming about. Certainly, no one would argue that we had, even at that time in our history, the degree of racial oppression that exists in South Africa today, but it's close. As I think King himself said, injustice anywhere is injustice to us all, and the fact that maybe we weren't quite as obvious about it, the fact that perhaps our oppression was not as strong then and is not as strong now, doesn't seem to me to make it less important a struggle. I think also, these are not simply historical points,

I think these are directly relevant to what's happening today, because I think there has been a slackening of commitment on the national level to precisely the kind of hard work and sacrifice that made discussion of civil rights possible then. At least this is true in Washington. I think that there is a lot of grass roots pressure for the end of racism in this country, but as Jeff was pointing out, the statistics, things haven't improved much. There has been a framework set up, there have been laws set up, but unless there is constant vigilance and a commitment on the part of our national leaders to make this stuff happen, we're never going to get there. We're never going to get to Dr. King's promised land. And I think it's important to remember the hardships that are associated with this struggle as well as to celebrate the victories that have been won.

MAYOR: Further comments on the amendments?

PETERSON: Yeah, point of information, what is the status on the amendments?

DEEM: We proposed an amendment, then it was seconded, then it suddenly it became a friendly amendment.

MAYOR: Well the chair has not accepted the friendly amendment.

Well, if we withdraw the motion and seconding, this is the right of the people who moved and seconded the original to accept it as a friendly amendment, is that not correct?

MAYOR: Well I'm assuming that friendly amendments take unanimous consent, and I'm not going to consent to that...I'm saying I want to, certainly if there's a political implication...

HUNTER: It isn't a political implication.

Let me go on. If I'm going to show my grandchildren this resolution twenty years from now, I rather show them the resolution as written than the way you've amended it. I think it says something. I think the paragraph that Jeff has, right after the "Now, therefore...". We commit ourselves to asking of ourselves those questions which Dr. King would have asked. You take those middle paragraphs off...

PETERSON: We're leaving that in! We're leaving the "Dr. King himself said this."

DEAN: The only one I'm asking you to delete is the Assistant Director. And I don't see how you can honor one man by disparaging another, and I don't even know the man. You say he was a Democrat? Well I don't know.

I'm assuming that the quote was accurate. There's no disparaging to admit. If the quote was said and it's accurate, then I think it should be, that a person in the Justice Department of this

country, in 1963, said that this is the most dangerous person in America, the most dangerous Negro. I think that's important. We can agree to disagree, you know.

DEAN: Who is the man? I never even heard of him. It doesn't even identify him. We said J. Edgar Hoover or something like that but it doesn't even identify him.

EPTON: We could have said J. Edgar Hoover except it wasn't J. Edgar Hoover.

DEAN: Well who was it, Jeff?

EPTON: It was Rock Hudson!

DEEM: What are we voting on?

MAYOR: Your amendment.

DEEM: My amendment, yes, but are we voting both paragraphs, one paragraph, or all of them.

MAYOR: You made the amendments, so you tell the Court what we're voting on.

DEEM: As far as I'm concerned, we would be voting on deletion of the one paragraph and deletion in the "Now, therefore," paragraph of "most dangerous" to simply identifying Martin Luther King.

MAYOR: Resolved, that, now, therefore, does the Ann Arbor City Council resolve to honor Martin Luther King...

EPTON: Mr. Mayor, can I ask for a recess?

MAYOR: Without any objection, we will recess for five minutes.

RECESS

MAYOR: The Council will please come back to order. Councilman Epton.

EPTON: In the interest of bi-partisan conflict, I'd like to say that the caucus position is that though this resolution is by no means a literary masterpiece, it is more of a whole with all of its original parts than it is with some of them missing. That's the statement, I think that it's probably necessary to go to the proposed amendments and vote them up or down.

MAYOR: Further discussion of the amended resolution. Will the clerk please call the roll on the Deem amendments which are to strike the paragraph which begins "The Assistant Director of the FBI..." and to strike the language after "Honor.." to include

and insert Martin Luther King Jr.'s name. That paragraph would then read: "Now, therefore, does the Ann Arbor City Council resolve to honor Reverend Martin Luther King..."

EPTON: Resolve that honor to Martin Luther King includes our committment...

MAYOR: Do you have that, do you think, Madam Clerk? Maybe you should sit up here. Will the Court please call the roll?

CLERK: Council Member Peterson?

PETERSON: No.

CLERK: Hunter?

HUNTER: No.

CLERK: Rowe?

ROWE: Yes.

CLERK: Deem?

DEAN: Yes.

CLERK: Epton?

ATKINS: No.

CLERK: Middleton?

MIDDLETON: Yes.

CLERK: Jernigan?

JERNIGAN: Yes. No. Yes!

CLERK: Hahn?

HAHN: Yes.

CLERK: Edgren?

EDGREN: No.

CLERK: Mayor Pierce?

MAYOR: No.

MAYOR: Further discussion of the resolution itself. Councilwoman Edgren?

EDGREN: I am hoping that we're gonna support this resolution.

Oh, we are. Thank you, that helped my remark. I'm very proud to be part of a City Council that is going to make honoring Martin Luther King a holiday for the City. The fact is that if you're not a white male with a, coming from a certain socioeconomic status in our society, the likelihood of succeeding, society's definition of, the definition I'm using here is a monetary definition, the likelihood of making money and developing some wealth is much less and ...

MAYOR: I am going to ask for the other conversation at the Council table please not take place at the table. The reason I'm saying that is I listened to the Planning Commission meeting the other night, and these side conversations are picked up through these mikes, there's no doubt about it, so for courtesy's sake we should not do them at the table.

EDGREN: Thank you. And I think that it's important in honoring Martin Luther King to remember that we have to all work to make sure that all people, black and white, men and women, have equal opportunities and equal justice. There have been a lot of editorials in a lot of newspapers lately that I'm sure we've all read, but I can't resist mentioning some of the things that I read about Martin Luther King's agenda for social justice and how it is unfinished and being eroded daily. Rowe alluded to some of this, but right now the federal government is working to eliminate bussing for racial integration, which is something he fought for; it's working to weaken the federal voting rights legislation, and it's attacking affirmative action programs. Now I think that, particularly in light of these erosions, or attempts at erosion of social justice, that has been achieved partly through Dr. King's struggle, that it's really important that we support this resolution.

MAYOR: Further discussion of the resolution?

EPTON: Just to add one quick statement about this resolution: I think one of the things and the irony that struck me during this whole week was generally the good things about the civil rights movement, and I suppose that that's alright. I guess I went through a lifetime of knowing some of the bad things. Some of the bad things that happened and what it felt like to flip on the television and watch the dogs, water cannons, and the guns, and the Klan marches. I think that it is important that this day be remembered in a positive fashion about the life and times of Martin Luther King. It's almost more important to me to remember the principles and to remember the history that is part of America, and in my rethinking and discussing the resolution, these things are facts, and they're just not the work of Martin Luther King. It was people who simply chose to demonstrate peacefully, were being threatened, were being maimed and were being hurt, people have been bombed, children have been killed, and some of those things continue to go on today. So I think that it's important that this day be remembered not just as a day in support of Dr. Martin Luther King and his principles, but the

principles and the man go together, and the principles are what will be lasting, should be lasting, in this society. And it should be in the spirit of re-dedication and the truth, and the truth sometimes hurts.

MAYOR: Councilman Jernigan?

JERNIGAN: I am very sorry at the way, at the tenor the discussion has taken. And you, Mr. Mayor, are probably the most divisive person I've met since I've been on City Council. Mr. Peterson last week asked that we not make those kind of remarks, and I have tried for a long time not to do that, and we have been very successful for the last couple of years. This Council has always been able to work things out, to come to some sort of resolution to many problems. This resolution could have been worked out, if those gentlemen didn't want to do what Councilman Deem had suggested, I'm sure without you intervention that this would have been passed in a manner that would have had some of these things in it that may have been a little bit more palatable. I've seen the resolution that the Regents of the University of Michigan passed. They too have a deep commitment to Martin Luther King, and to his ideals and his life, and they were able to do it in a much different manner. Councilperson Edgrin's comments a few minutes ago about being a white male, I'm a white male and I'm not going to apologize to anybody for that; I too have had some bad times in my life. Everything that's in here is true, all of the things that have been said are true, and I think it could have been handled an awful lot better than it was just a few minutes ago. Ms. Collins, I'd like to go on record as saying that it is my intention be given to City employees and this holiday be included in the holidays they now have. I don't feel it necessary to commit that to writing, but I would like it clearly understood that my support on this is based on the fact that City employees will in fact be receiving this holiday as part of their package right now.

MAYOR: Further discussion of the resolution? Will the Court please call the roll? I'm sorry. Councilman Hunter.

HUNTER: I'd like to make it known, with Jeff's concurrence, that next week we intend, Jeff and I, to bring a resolution back which in affect without touching this original resolution which unfortunately I feel that Jerry does that unfortunately we can't honor the man without being derogatory, that will make the enactment of this as a City holiday contingent upon, in effect, taking back one of those paid holidays that the city employees currently have.

MAYOR: Further discussion of the resolution? Council member Hahn.

HAHN: I'm going to reserve committing myself to that partly because of the direction that this conversation has taken. It is unfortunate that we couldn't manage agreement on it, the fact

that we didn't come about because of some very substantial and real concerns, not because of some imaginary sort of reservations. I think it is clear to the City Administrator the direction that he has to take in managing the effect of this decision on the City budget. I resent absolutely and totally Council member Jernigan's characterization of the Mayor as "most divisive person that he's met since he came to Council;" I think that's unfair. I have no idea how you come to that conclusion. I think you would have shown better judgment to have kept that opinion to yourself, if in fact it is an honest opinion. To put a public statement of that kind in the category of comment that I think is totally unnecessary here. There is no question of the intent of everyone on this Council as to how this holiday should be managed, and Council Member Hahn, I think I prefer to leave that understanding that we presumably now have with the Administrator on that account.

MAYOR: Further discussion of the resolution? Councilman Deem.

DEEM: I wish at this moment that we had a Martin Luther King to pour oil on the troubled waters, but I'm a little confused. All I want to establish is the fact that by voting for this resolution tonight, I am not endorsing an additional day of vacation for city employees; and if someone could assure me of that despite the fact that I object to these two paragraphs, or to this one paragraph in particular (because I feel it's unnecessary and it distracts from the merits of the man whom we are trying to honor), to get into this kind of Who-shot-John arrangement. All I want to know is if by voting for this tonight, I am not endorsing an additional vacation day for the City employees of Ann Arbor. Now, can somebody tell me that?

HUNTER: All I can tell you is that you in our discussion regarding this resolution that was clearly the intent. Clearly the intent was to leave that to the City Administrator and whatever your intentions are about how to make that possible, would then be up to the man that has to negotiate our labor contract, who has to come up with our budget, who has to figure all that stuff out, and that is clearly the intent. We cannot go any further than that, and if we do, it will come back to us and then it will be our decision. That is the only reassurance that I can give you.

MAYOR: I don't know. I don't have anything to add. I mean, I have been highly critical ever since I've been in the Mayor's chair of compulsory arbitration. I think that the holiday policy that the City is excessive at the present time, but the resolution is silent on that issue. The checkpoint we will have is when the contracts come back, especially the AFSCME contracts, which is the one that we have direct _____. We don't have it with compulsory arb on police and fire. Councilman Hunter.

HUNTER: I'd like to ask Godfrey a question, or maybe Bruce, I

don't know who can answer it, and that is: in their opinion, based on what Dick is asking, if we pass this resolution, do we in fact have another paid holiday for the City employees?

RICHARD PARKER: I don't know the answer to that question. You will receive my memos as far as the progress on the negotiations on this matter. I will speak before that time clear-cut, then after we get the information, how we are doing with negotiations, a more definitive understanding from the City Council, maybe it will be worked out in negotiations though I don't need to. I can report to you on that matter and you can approve of the agreement. I'll give that information to you and expect a more definitive resolution of that matter. This is not really clear in here one way or the other right now for me, and I will speak further, not this time. That's the goal and if the goal is not to have additional holidays, that's the way I will go into negotiations, we already started that, and I will inform the City Council as I go along and if I need further guidance, I'll ask for it. I don't think I'll necessarily need it at this time.

HAHN: So in effect you're telling me that it may be a negotiated issued that you may not even have any control over until you get into a negotiation down the road, but once we pass this, we in effect have officially allowed one more paid City holiday, at this time.

RICHARD PARKER: It is, in fact, clear to me one way or the other. If that's the goal of the City Council to do that, then that's the goal I'll work for.

EPTON: Let me ask the question this way: do you consider yourself authorized by the language of this resolution to give an additional paid holiday?

PARKER: No. I do not feel myself authorized to give an additional paid holiday, I feel...

EPTON: Then you would not do something like this first unless you were clearly authorized to do so.

PARKER: I will not do so unless I come back to you and ask for further directions. I will ask how they want the existing holidays changed, specifically the employee's birthday -- I will be asking that that be converted to Martin Luther King birthday, that in addition employees which had their birthday off can take a personal leave day or a vacation day for that. And that in fact has already been motioned on our outstanding contract.

MAYOR: Further discussion of the present matter. Councilperson Middleton.

MIDDLETON: Well I think I'd like to end on a more upbeat note because I think Dr. Martin Luther King deserves that, frankly, and I think he would like that better. I think the significance

of his contribution to our society should be recognized and honored. And as I too, Cathy, listened to excerpts from some of his speeches today, I was once again reminded of his total commitment to peace, freedom from racism, and for liberation and justice for all. He showed great courage and made great sacrifices. It seems to me that in conjunction with this, and I will not make an amendment because we will bring something of this sort back to Council, that perhaps a Martin Luther King peace award, patterned after the one in Atlanta, should be given to a citizen each year who has done the most to exemplify Dr. King's ideals that he so diligently worked for.

MAYOR: Further discussion of the resolution. Please call the roll.

CLERK: Council member Peterson?	Yes.
Hunter?	Yes.
Rowe?	Yes.
Deem?	Yes.
Epton?	Yes.
Middleton?	Yes.
Jernigan?	Yes.
Hahn?	Yes.
Preston?	Yes.
Edgren?	Yes.
Mayor Pierce?	Yes.

It carries unanimously.

VACANCIES

The compromise position of the parties is quoted below from a letter to the Union dated March 3, 1986. This position, if still offered by the employer, is acceptable to the Union:

"It is understood that vacancies or new positions in any entry level bargaining unit position may be filled in any manner and by any person the City decides upon. Provided, however, where the qualifications, ability, skill, interest, and work records of a bargaining unit member and a non-bargaining unit member are judged relatively equal by management, it is understood and agreed that the bargaining unit member will be awarded the position. Provided further, that employees in non-entry level positions shall be permitted to demote to an entry level position which they have previously held prior to the position being filled in another manner. A position is an entry level position if there is no other bargaining position subordinate to that position. The current bargaining unit positions are contained in Section 32; entry and non-entry level positions are indicated.

Employees who fill vacancies by promotion or transfer or voluntary demotion shall be placed on three (3) months probation. During that time, the employee may be returned to his previous position by the Employer or at his own request."

CITY OF ANN ARBOR
TEN YEAR GENERAL FUND SUMMARY
1986-87 BUDGET

	1977-78	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85	Estimate 1985-86	Proposed 1986-87
BEGINNING UNRESERVED FUND BALANCE	\$ 1,651,377	1,198,725	1,348,662	1,962,704	2,208,929	3,262,177	1,640,951	2,467,129	2,111,942	3,316,225
Revenues	22,429,976	24,147,169	26,713,980	28,798,754	33,221,121	34,426,818	35,438,603	38,810,715	41,733,089	43,262,157(1)
Expenditures	22,649,054	24,287,520	26,265,486	28,545,931	32,283,390	35,860,642	34,442,080	39,011,082	40,530,806	43,262,157
Excess Revenues/ Expenditures	(219,078)	(140,351)	448,494	252,823	937,731	(1,433,862)	1,106,523	(200,367)	1,202,283	0
Adjustments to Unreserved Fund Balance	(233,574)	290,308	165,428	(6,598)	115,517	(187,400)	(280,345)	(156,820)	0	0
Ending Unreserved Fund Balance	1,198,725	1,348,682	1,962,704	2,208,929	3,262,177	1,640,951	2,467,129	2,111,942	3,316,225	2,111,942
Ending Cash/Investment Balances*	555,815	215,818	974,660	930,056	2,746,748	207,413	1,264,863	(357,616)	844,669	844,669
Ending Fund Balance as Percent of Expenditures**	5.3	5.6	7.5	7.7	10.1	4.6	7.2	5.4	8.2	4.8
Ending Cash/Investment Balance as Percent of Expenditures***	2.4	.9	3.6	3.3	8.5	.6	3.7	(.9)	2.0	-1.9
Summary of Tax Anticipation Note Borrowing	650,000	350,000	-	-	-	-	-	-	-	-

*Net of Tax Note Payable
**This % should be between 5% and 8%
***This % should be between 3% and 5%

(1) Included in this revenue is the reappropriation of \$1,202,283 of ending fund balance at 6/30/86.

526619

MEMORANDUM

To: Human Rights Commission
From: Godfrey W. Collins, City Administrator
Subject: DR. MARTIN LUTHER KING, JR. BIRTHDAY

November 25, 1985

I have received a copy of your motion passed at your November 13, 1985 meeting as being on record in support of making Dr. Martin Luther King, Jr.'s birthday (January 15) a City holiday.

This matter will be considered in future labor negotiations and will be brought to the attention of the Council Labor Negotiations Committee in determining policies for these future negotiations.

It may be possible to substitute this proposed holiday for an existing holiday such as the employee's birthday or Veteran's Day. There would be a considerable cost for any additional holiday. If we assume an average pay rate of \$10.00 an hour or \$20,800 per year, the cost per employee would be \$80.00 plus \$56.00 fringes or \$136.00. For our 350 employees this would equal \$115,600 per year.

The final decision on this matter, of course, rests with the City Council.

c/Mayor and City Council
Robert Scott, Personnel

EXHIBIT G