

MICHIGAN DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

MICHIGAN EMPLOYMENT RELATIONS COMMISSION

BUREAU OF EMPLOYMENT RELATIONS

PETITIONING PARTY:

SEIU Healthcare Michigan (Union)

and

RESPONDING PARTY:

Huron County Medical Care Facility (Employer)

MERC CASE NO.:

24-H-1573-CB



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

Steven B. Stratton

Advocates

Employer Advocate: Grant Pecor

Union Advocate: Larry Alcott

PETITION(S) FILED: September 6, 2024

FACT FINDER APPOINTED: October 7, 2024

SCHEDULING CONFERENCE HELD: October 25, 2024

HEARING DATE(S) HELD: January 6, 2025

POST-HEARING BRIEFS FILED: February 11, 2025

REPORT ISSUED: March 10, 2025

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WITNESS LIST

Christina Krebs, Huron County Medical Care Facility Administrator

1. INTRODUCTION AND BACKGROUND

The Employer operates a 112-bed long term care facility located in Bad Axe, Michigan and overseen by the Huron County Health and Human Services Board. This bargaining unit represents approximately 67 employees in various classifications, including certified nursing assistant, restorative aid, laundry aid, housekeeper, recreation therapy aid, first cook, maintenance, and dietary aid. Currently, 20 beds are “off-line” or unfilled, as the Employer is dealing with a census of approximately 85% of capacity along with declining reimbursement levels and staffing shortages typical in the industry since the Covid pandemic.

The Union and Employer are parties to a collective bargaining agreement effective August 2, 2021, through December 31, 2023. The parties met in formal negotiations numerous times and the Union resorted to a public media campaign as well as picketing at the Employer’s premises. A state mediator was enlisted to assist in reaching a settlement and, while some tentative agreements have been reached, the parties remain without a total

agreement. The Union filed a petition for fact finding (see time frames listed above) and a hearing was held on January 6, 2025, via Zoom.

At the hearing, both parties were professionally and ably represented and had the opportunity to introduce evidence and to examine and cross-examine any witnesses. Fifty-one exhibits were entered into the record. Post-hearing briefs were exchanged on February 11, 2025. Included in the Union's post-hearing brief were three items which brought immediate objection from the Employer, resulting in a decision by the Fact Finder as to the admissibility of each item, addressed below.

First, a purported e-mail reproduction was deemed to have no weight during the Fact Finder's decision-making process. Second, a document entitled "Appendix B" was deemed not relevant to this matter and not admitted as an exhibit. Finally, a letter entitled "Appendix A" dated April 19, 2023, addressed to the Union's advocate. While the document was submitted by the Union with its post-hearing brief after the evidentiary hearing was closed, the Employer advocate subsequently confirmed the pay rates contained within the document were accurate as to Courtney Manor, one of the agreed upon comparables. I expressed to the parties I was troubled by the document surfacing after the close of hearing and would not normally admit same. However, considering the parties had previously stipulated that Courtney Manor would be utilized as a comp, and after having provided the Employer the opportunity to verify its accuracy, and given the nature of the document is to provide the Fact Finder with the correct rates of pay, I will overrule the Employer's objection and receive the document into the record as Union Exhibit 8 (making 52 the total number of exhibits). As I stated, I would normally sustain the Employer's objection but given these circumstances I feel it is the duty of the Fact Finder to use the actual facts whenever possible and feasible. The only relevant portion of the document will be the rates of pay and no consideration will be given to the remainder of the document.

With respect to the Union's media campaign, the Employer requested the Fact Finder to "clarify some misrepresentations made to the public." Employer exhibits 32-37 were introduced for consideration and reviewed. However, I don't believe it's appropriate for the Fact Finder to decide on what may or may not be a "misrepresentation." Other than confirming the bargaining was, at times, contentious, Employer 32-37 are not relevant to the open negotiable issues.

Having conducted the hearing and after reviewing the positions of the parties, the exhibits, relevant statutory criteria and the factual record, the Fact Finder is prepared to submit this Fact Finder's Report and Recommendations.

2. STATUTORY CRITERIA

The authority of the Fact Finder is derived from the Act as described on the title page of this document, and more specifically as follows.

MCL 423.25 (1)- When in the course of mediation under Section 7 of [the Act]...it shall become apparent to the Commission that matters in disagreement between the parties might be more readily settled if the facts involved in the disagreement were determined and publicly known, the Commission may make written findings with respect to the matters in disagreement. The findings shall not be binding upon the parties but shall be made public.

3. COMPARABLES

In addition to considering internal comparables, the parties stipulated to the following external comparables and the respective collective bargaining agreements were entered into the record as exhibits:

Tuscola County Medical Care Facility
Bay County Medical Care Facility
Newaygo County Medical Care Facility
Courtney Manor (a privately owned facility)

4. ABILITY TO PAY

One criterion used by fact finders is the financial ability of the Employer to pay for the sought-after wage and benefit increases. Indeed, the Employer stressed its financial condition throughout the evidentiary hearing and in its post-hearing brief. The lone witness, administrator Christina Krebs, testified to the: net loss of approximately \$1.1 million in 2023; projects and repairs needed at the facility; reductions in the number of beds and reimbursements; and the cost of certain benefits. Examining Employer 31, it appears the facility is experiencing somewhat of a turnaround through the first ten months of 2024 with a positive \$1.58 million on the books, although final annual numbers are not available. When pressed by the Union on cross-examination, Ms. Krebs indicated the facility is not saying it can't pay, just that the financials are not in great shape and the needed repairs, though costly, cannot be put on hold forever.

I find the Employer has the ability to pay but will take notice of the financial condition when preparing this Report and Recommendations.

5. ISSUES BEFORE THE FACT FINDER

The parties identified three unresolved issues; a) Paid Leave Days, b) Sunday Premium, and c) Pay Increases, including effective dates. All issues are economic.

a. PAID LEAVE DAYS

Union Proposal

ARTICLE 17-PAID LEAVE DAYS (from LPN CBA at Huron County MCF)

Section 17.1. PLD Schedule. All regular full-time and regular part-time employees shall be eligible for Paid Leave Days (PLDs) according to the following schedule:

Length of Service	PLO Days
0 to 20,800 hrs.	1 day for each 94.5 hours worked
20,801-31,200 hrs.	1 day for each 77 hours worked
31,201-41,600 hrs.	1 day for each 71.7 hours worked
41,601 - 52,001 hrs.	1 day for each 65 hours worked
52,001 hrs. and over	1 day for each 56.2 hours worked

Section 17.2. Definitions. As used in this section, the term “length of service” shall be calculated based upon the number of hours from the employee’s last date of hire. The term “hours” as used in this Article shall be based on hours compensated, being all hours for which the employee receives wages, PLDs or jury duty pay, but shall not include any hours while employee is on suspension, is on a leave of absence, including on a leave for which workers’ compensation benefits are received, premium pay hours, nor any hours after an employee’s last working day upon termination.

Employer Proposal

ARTICLE 17 – PAID LEAVE DAYS

Section 5. Use of PLD in First Year. PLDs may not be used until an employee has completed ~~90 calendar days seven hundred twenty (720) compensable hours~~ of continuous service with the Facility. Employees shall begin accumulating PLDs from their first day of work. On successfully completing their ~~probationary period first 90 calendar days of service~~, employees shall have credited to their PLD accumulations, PLDs for the hours worked during their ~~probationary period first 90 days of service~~.

- **Modify Article 17, Sections 1 and 2 as follows:**

Section 1. PLD Schedule. All regular full-time and regular part-time employees hired prior to October 1, 2005, shall be eligible for Paid Leave Days (PLDs) according to the following schedule:

<u>Length of Service</u>	<u>PLD Days</u>
0 to 20,800 hrs.	.084656 for every hour actually worked
20,801-31,200 hrs.	.103896 for every hour actually worked
31,201-41,600 hrs.	.111576 for every hour actually worked
41,601 and over	.123077 for every hour actually worked

For all regular full-time and regular part-time employees hired after October 1, 2005, shall be eligible for Paid Leave Days (PLDs) according to the following schedule:

<u>Length of Service</u>	<u>PLD Days</u>
0 to 4,160 hrs.	.039216 for every hour actually worked
4,161 to 12,480 hrs.	.057971 for every hour actually worked
12,481-20,800 hrs.	.077670 for every hour actually worked

20,801-41,600 hrs.*	.096386 for every hour actually worked
41,601 and over	.1155942 for every hour actually worked

*An employee hired on or after October 1, 2005 whose length of service is 20,801 hours or more whose current PLD accrual would be immediately reduced when this new scale is implemented will not have his/her PLD accrual reduced, but shall be frozen at his/her current schedule until reaching the 41,601 hour accrual level.

Section 2. Definitions. For purposes of the preceding section, “hours actually worked” shall mean all hours that an employee actually performs his/her job duties, but shall not include any time off for which an employee is compensated. Further, as used in the preceding ~~this~~ section, the term “length of service” shall be calculated based upon the number of hours compensated, being all hours actually worked, as well as PLDs or jury duty pay, but shall not include any hours while employee is on suspension, is on a leave of absence, including on a leave for which workers' compensation benefits are received, nor any hours after an employee's last working day upon termination.

Summary of Union position

The Union argues that its bargaining unit members receive significantly fewer paid leave days than all other employees at the facility and is seeking parity with the LPN bargaining unit. Internal comps are the best criteria to utilize for this benefit. In addition to the language of the applicable CBA’s, the Union cites Union exhibits 2, 3, 4 to support its argument. The paid leave days contained in this collective bargaining agreement is a two-tiered accrual method. The Union maintains that the two-tiered method negotiated in 2005 is now outdated since most current bargaining unit members were hired after October 1, 2005; therefore, any tradeoffs that may have been negotiated are no longer applicable. Paid leave is a critical element to allow for a work/life balance for bargaining unit members. The Union acknowledged that the CBA accrual method will need to comply with Michigan’s Earned Sick Time Act whenever it takes effect.

Summary of Employer position

The Employer argues that the Union did not propose an increase in the paid leave days accrual during the early part of negotiations. In early 2024, the Employer found what it terms to be a mistake of which hours were actually used for the accrual. After the Employer corrected its mistake, the Union filed a grievance and eventually proposed a higher accrual rate during negotiations. The delayed proposal should not be given consideration. The Employer cites Employer exhibits 10, 13, 15, 27, 28, 29 in support of its argument. Regarding the accrual method, the Employer cites the upcoming State law as well as Employer exhibits 24, 40 to support its proposed language change. Regarding the Union’s proposal for increasing the amount of paid leave days, the Employer maintains

that the external comps show the current amount is favorable and should not be increased, citing Employer exhibit 25. Further, the lone argument of the Union has been internal parity with the LPN group, but the different accrual levels are simply the result of past bargaining with each bargaining unit. Finally, the Employer argues that granting the Union's proposal would cost the facility around \$50,000 (Employer exhibit 26) without any direct contribution to patient care.

DISCUSSION AND ANALYSIS - PAID LEAVE DAYS

Article 17 Section 5 is easily resolved as there doesn't appear to be a dispute and the current CBA calls for 90 calendar days. However, I recommend that the word "calendar" be inserted in the last line of Section 5 (90 calendar days), so the language is consistent throughout the section.

The Fact Finder is not convinced that the Union's delay in proposing an increase in PLD's should result in rejecting the proposal out of hand. The proposal was first presented after the Employer took unilateral action to correct a mistake it had found. The Union initially objected to the unilateral action by filing a grievance. It's not known at this time what the status of the grievance is. Subsequently, a proposal at the bargaining table was put forth by the Union. That issue has remained unresolved and is properly before the Fact Finder. If the Employer believes that the Union has engaged in regressive bargaining, there is another forum that can be pursued to resolve that issue. And to be fair, it doesn't appear that the Employer made its proposal to change language until after the mistake was found (see Employer exhibits 14, 16).

Having said that, I *do think* it's important that the Union did not initially seek an increase in PLD accruals. I also think it's fair to say that the Union's proposal resulted from the Employer's unilateral action, but the Employer's action was regarding which *type of hours* are used to compute the PLD's, not the accrual amount. The Union's proposal simply seeks parity with the LPN group's higher accrual amount and does not address the actual reason for management's unilateral action in the first place. There is nothing in the record to shed any light on any "past tradeoffs" that may have resulted in the Union having a different benefit accrual than the LPN unit. I can only conclude the different benefit levels simply resulted from the normal "give and take" that occurs during bargaining; therefore, I don't believe the internal LPN comp should be prevailing in this instance.

Regarding the external comps, Newaygo County employees receive substantially more PLD time than all other external comps. I speculate that part of the reason could be because they do not receive paid holidays like the other groups; holiday pay is only received if the holiday is worked (Employer exhibit 5, Section 22.9). Even making an allowance by adding holidays to the “accrual numbers” of the other groups, Newaygo is still at the top of the list. But, of the four external comps, I give less weight to Newaygo County as it is 165 miles from the Employer, on the west side of the state. The remaining three comps; Bay, Tuscola and Courtney Manor are all on the east side of the state within fifty miles of Huron County MCF (Employer exhibit 38). Among Huron, Bay, Tuscola and Courtney, Bay has the most generous accruals but also has the most beds of all comps and largest population of the county facilities. The PLD accruals of Huron compare favorably to Tuscola and Courtney (Union exhibit 1). Considering the record, I find that the current PLD maximum accruals are within a reasonable range of the external comps and do not recommend an increase.

I further find that the Employer's conversion to decimals makes sense given that both parties recognize the passage of the Earned Sick Time Act requiring accrual by hours worked. Based upon the above, I recommend adoption of the Employer’s proposal.

Since the parties have spent extensive time arguing about the “accrual mistake”, I feel compelled to address it. The record is scant as to how the mistake was discovered and addressed by the Employer other than it took unilateral action and subsequently proposed clarifying language during bargaining. What strikes me is the Union membership apparently accrued PLD’s a certain way until the mistake was discovered and unilaterally corrected. The higher accruals occurred during the life of the CBA and were discovered after the CBA expiration date and after negotiations had been ongoing. Since management acted unilaterally, as opposed to keeping the accrual method in place until an agreement was reached, I recommend that the Employer consider crediting affected employees' PLD accrual using the “pre-corrected method” from the date of the unilateral management correction to the date of this Report. Thereafter, accruals are subject to the Employer’s proposed language.

RECOMMENDATION – PAID LEAVE DAYS

Article 17 Section 5

Recommend adoption of the Employer proposal, as reproduced above, but add “calendar” in the last line.

Article 17 Sections 1 and 2

Recommend adoption of the Employer proposal, as reproduced above, and that the Employer consider crediting affected employees' PLD accrual using the “pre-corrected method” from the date the Employer unilaterally corrected the mistake to the date of this Report. Thereafter, accruals are subject to the Employer’s proposal.

b. SUNDAY PREMIUM

UNION PROPOSAL

Retain current contract language.

EMPLOYER PROPOSAL

Eliminate Sunday premium and delete the Article in its entirety.

Summary of Union position

Sunday premium pay (time and one-half for hours worked) has been a benefit for members of this bargaining unit for over 25 years. Other employees of the facility also have this benefit, so deleting it from this bargaining unit would be providing a lesser benefit than other internal employees. The Union opines that the Employer is “...*making this proposal to set the table to take it away from the LPNs when their contract expires at the end of 2025 and possibly from the non-union employees.*” (Brief page 11). Conversely, if the Union were to give up this benefit, employees must be made whole for the loss of income. The parties have discussed this possibility; however, the Union argues that the Employer has not offered enough of an increase to offset the income that would be lost by its affected members. Sunday premium equates to about 5% of an affected employee’s regular annual wage (Brief page 12).

Summary of Employer position

The Employer stresses that, while some of the external comps pay a premium for weekend work, none of them pay time and one-half for Sunday alone (Employer exhibit 21). The Employer understands that affected employees stand to lose some income and, to

address that, has proposed to increase the hourly rate by .85 per hour on top of the contract raise. The Employer argues that money spent on weekend premiums would be far better spent on increasing employee wage rates across the board, “...as opposed to just one day of the week.” (Brief page 10). The Employer further maintains that time and one-half pay for Sunday work “...is an antiquated benefit not justified by the current labor market and, instead, recommend the parties adopt the Employer’s proposal eliminating that benefit and using the savings involved to further increase employee wages generally.” (Brief page 11). Finally, given the staffing challenges and overall financial condition of the facility, the Employer believes the Sunday premium should be eliminated.

DISCUSSION AND ANALYSIS – SUNDAY PREMIUM

No doubt, time and one-half for Sunday work is a big benefit for bargaining unit members and much higher than all comparables. Tuscola pays no Sunday premium, Courtney Manor pays .50 per hour, Newaygo pays \$1.50 per hour and Bay pays \$3.00 per hour (Employer 21). By contrast, a member of this bargaining unit at the current highest hourly rate of \$19.20 receives an additional \$9.60 per hour worked on Sunday. The current lowest hourly rated employee, at \$13.79 per hour, receives an additional \$6.90 per hour worked on Sunday¹. During 2024, the Employer paid Sunday premium for 10,974.25 work hours totaling \$91,271.14 to bargaining unit members² (Employer 22) which computes to an average of \$8.32 per hour, fully \$5.32 per hour more than the next highest external comp, Bay County MCF. Furthermore, this benefit has a compounding effect as, each time the hourly rate increases, so does the Sunday premium, since it is a factor of the hourly rate. All of the external comparables that pay Sunday premium pay a static amount that does not increase when the hourly rate increases. No wonder the Employer seeks to eliminate the benefit and is willing to pay extra money into the hourly rates to do so.

On the other hand, I am sympathetic to the Union membership not wanting to give up a benefit they’ve had for 25 years or more. Also, trying to avoid “pattern bargaining” whereby other groups may also lose the benefit, is a valid concern for the Union. Nevertheless, at the bargaining table, the Union was willing to explore options for deleting

¹ See Employer 44 for current highest and lowest hourly rates.

² Not all bargaining unit members regularly work on Sunday.

the Sunday Premium in return for a “make whole” amount added to the base rates of affected classifications (Employer 9).

Employees working in the world of health care, particularly at a health care facility, understand that weekends will likely be a part of their regular work schedule if they are providing direct patient care, like many members of this bargaining unit do. Direct care employees of this facility typically work every other Sunday. And, while the Sunday premium is a great benefit, it is head and shoulders above all external comps and hard to justify, absent overwhelming evidence that it is needed to secure adequate staffing on Sundays. Before the hearing closed, the Fact Finder suggested that the parties consider other, less costly options for Sunday premium, but the parties have chosen to not go down that road.

It seems the Employer has the better argument that the money paid out in Sunday premiums would be better spent in across-the-board pay increases. Consider, employees will receive the increased amount for each hour worked, including overtime and PLDs. Hourly rates will be more attractive for recruitment purposes. In the future, if Sunday staffing becomes an issue, the parties can renew discussions to address it. My recommendation will be to eliminate the Sunday premium by having the Employer buy it out. The question then is how much will it take?

The Employer has acknowledged, as I noted above, “...using the savings involved to further increase employee wages generally.” is the quid pro quo for deleting the benefit. The Employer has proposed an across-the-board increase of .85 per hour in return for deleting the premium. According to Employer 22, the facility paid out \$91,271 in Sunday premiums to bargaining unit members in 2024. That represents ~5.64% of the regular payroll amount of \$1,617,485. The .85 proposed increase represents an increase of ~4.42% for the bargaining unit’s highest paid CNA rate of \$19.20 and an increase of ~6.16% for the lowest Dining/Housekeeping rate of \$13.79. This leads me to the Union's proposal of August 27, 2024, 4:30 PM.

“3. Sunday premium – apply 5% across the board to all CENAs, Dietary, Hskpg, Laundry Aides and Cooks and the wage scale in lieu of Sunday premium. Apply 3.3% to Activities Aides and wage scale; there would not be an increase to Maintenance employees.” (Employer 9).

Five percent (5%) is the approximate “make whole” amount. For a CNA at the top rate this would represent an increase of .96 per hour (.11 per hour more than the Employer

proposal). This makes sense to me as the record shows employees who regularly receive Sunday premium will lose 5% if the premium is no longer paid. CNA, the most highly populated classification that regularly work Sundays, stand to lose the most if a cents per hour amount is provided in exchange for loss of Sunday premium. If the Employer is intent on buying out the Sunday premium and using the savings for across-the-board increases, then five percent (5%) seems appropriate. I do not know the wisdom of the Union’s proposal calling for less than 5% for certain classifications but the Employer intended the .85 increase for all classifications and I agree that any buy-out should be across-the-board.

Unlike an Act 312 Arbitration Panel, a fact finder is not hamstrung having to choose one side or the other's final proposal on each issue. Rather, a fact finder seeks to find recommendations that are palatable to both parties or that can be used as incentives to reach agreement. With that in mind, I make the following recommendation.

RECOMMENDATION – SUNDAY PREMIUM

Effective the beginning of the first full pay period after implementation of the new collective bargaining agreement, delete Article 26- SUNDAY PREMIUM. In return for deleting Article 26, all bargaining unit classifications pay rates will be increased by five percent (5%) across-the-board; such 5% increase to be applied after the contract raise is added to the pay scales.

c. PAY INCREASES AND EFFECTIVE DATES

UNION PROPOSAL

WAGES:

Section 1. Wages effective retroactive to 9/1/2024.

The following wage scale shall be effective the first full pay period beginning on or immediately after 9/1/2024, for those hired prior to January 2000 (increase of \$0.75/hour):

<u>Classification</u>	<u>Start</u>	<u>After 1,040H ours</u>	<u>After 2,080H ours</u>	<u>After 4,160H ours</u>	<u>After 6,240H ours</u>	<u>After 10400H ours</u>	<u>After 20800 Hours</u>
Dietary Aide	15.40	16.92	17.37	17.65	17.92	18.15	19.12
Maintenance	16.74	18.21	18.63	18.85	19.04	19.26	20.18
First Cook	15.68	17.19	17.65	17.93	18.2	18.42	19.41
Housekeeper	15.40	16.92	17.37	17.65	17.92	18.15	19.12
Laundry	15.40	16.92	17.37	17.65	17.92	18.15	19.12
Recreation Therapy Aide	15.40	16.92	17.37	17.65	17.92	18.15	19.12

(b) The following wage scale shall be effective the first full pay period beginning on or immediately after 9/1/2024, for those hired on or after January 2000 (increase of \$0.75/hour):

<u>Classification</u>	<u>Start</u>	<u>After 1,040 Hours</u>	<u>After 2,080 Hours</u>	<u>After 4,160H ours</u>	<u>After 6,240H ours</u>	<u>After 10400 Hours</u>	<u>After 20800H ours</u>
Dietary Aide	13.89	15.41	15.86	16.14	16.4	16.64	17.61
Maintenance	15.23	16.7	17.01	17.34	17.53	17.74	18.67
First Cook	14.17	15.67	16.14	16.41	16.69	16.91	17.89
Housekeeper	13.89	15.41	15.86	16.14	16.4	16.64	17.61
Laundry	13.89	15.41	15.86	16.14	16.4	16.64	17.61
Recreation Therapy Aide	13.89	15.41	15.86	16.14	16.4	16.64	17.61

(c) The following wage scale shall be effective the first full pay period beginning on or immediately after 9/1/2024, for those hired after October 20, 2005 in the following classifications (increase of \$0.75/hour):

<u>Classification</u>	<u>Start</u>	<u>After 1,040 Hours</u>	<u>After 2,080 Hours</u>	<u>After 4,160H ours</u>	<u>After 6,240H ours</u>	<u>After 10400 Hours</u>	<u>After 20800H ours</u>
Dietary Aide	14.84	15.11	15.56	15.84	16.11	16.34	16.58
Maintenance	17.23	17.45	17.76	18.09	18.28	18.49	18.67
First Cook	16.17	16.42	16.89	17.16	17.44	17.66	17.89
Housekeeper	14.84	15.11	15.56	15.84	16.11	16.34	16.58
Laundry	14.84	15.11	15.56	15.84	16.11	16.34	16.58
Recreation Therapy Aide	15.89	16.16	16.00	16.50	17.00	17.5	18.00

For purposes of sections (a)-(c), the Employer may offer new hires a starting wage consistent with their prior years of verifiable experience in the position for which they are hired.

(d) The following wage scale shall be effective 9/1/2024, for those bargaining unit employees in the following classifications. “Years” is defined as years of continuous certification as a nurse aide. New hires will be hired at the rate that reflects his/her years of continuous certification as a nurse aide:

Nurse/Universal Aide	17.72	18.20	18.75	19.50	20.25
Restorative Aide	17.72	18.20	18.75	19.50	20.25

(e) Employees shall be placed on the step of the above wage scales based on years of service or years of continuous certification for ‘nurse aides’ or the step that provides a minimum increase of \$0.75 per hour, whichever is greater. Employees above the wage scale shall receive an increase of \$0.75 per hour.

Section 2. Subsequent Wage Increases.

Year 2. First full pay period beginning on or immediately after 9/1/2025, increase the above wage scales by \$0.70. Employees above the wage scale shall receive an increase of \$0.70 per hour.

Year 3. First full pay period beginning on or immediately after 9/1/2026, increase the above wage scales by \$0.70. Employees above the wage scale shall receive an increase of \$0.70 per hour.

Expiration date: 8/31/2027.

EMPLOYER PROPOSAL

Wages

• Effective the first day of the pay period following the execution of the parties’ agreement, the Employer will increase the wages of current employees by one dollar and forty-five cents (\$1.45) per hour.

a. Starting rates shall be as follows:

Years Licensed	0-3	3-5	5-7	7-10	10+
CNAs	\$18.12	\$18.40	\$19.15	\$19.90	\$20.65

		After	After	After	After	After	After
Hours Worked	Start	1040	2080	4160	6240	10400	20800
Dietary Aides	\$15.24	\$15.51	\$15.96	\$14.79	\$16.24	\$16.75	\$16.98
Maintenance	\$17.63	\$17.85	\$18.16	\$18.49	\$18.68	\$18.89	\$19.07
Cook	\$16.57	\$16.82	\$17.29	\$17.56	\$17.84	\$18.06	\$18.29
Housekeeper	\$15.24	\$15.51	\$15.96	\$14.79	\$16.24	\$16.75	\$16.98
Laundry	\$15.24	\$15.51	\$15.96	\$14.79	\$16.24	\$16.75	\$16.98
Recreation Therapy Aide	\$16.29	\$16.56	\$17.01	\$17.29	\$17.55	\$17.82	\$18.01

• Effective the first day of the pay period following the first anniversary of the parties’ agreement, the Employer will increase the wages of those who have completed their probationary period(s) by fifty-five cents (\$.55) per hour. The first day of the pay period involved shall be the date used to determine completion of an individual’s probationary period.

• Effective the first day of the pay period following the second anniversary of the parties’ agreement, the Employer will increase the wages of those who have completed their probationary period(s) by fifty-five cents (\$.55) per hour. The first day of the pay period involved shall be the date used to determine completion of an individual’s probationary period.

Summary of Union position

The Union argues their proposal of seventy-five cents (.75) per hour puts the facility in a more competitive position than it currently stands. Wage increases have not kept pace with inflation since 2020 and the proposal still leaves workers below the inflation rate (Brief page 18).

Regarding the effective date of the pay increase, the Union seeks retroactive pay to September 1, 2024, stating that is reasonable and “...timed to the date when the negotiations and mediation stopped.” (Brief page 19).

The Union seeks subsequent raises of seventy cents (.70) per hour effective the first full pay period beginning on or immediately after 9/1/2025, and an additional seventy cents (.70) per hour effective the first full pay period beginning on or immediately after 9/1/2026.

Summary of Employer position

The Employer does not dispute that wages need to increase in order to recruit staff and believes its proposal of \$1.45 per hour (.85 of which is in exchange for deleting Sunday premium) is aggressive to that end. Further, the proposal places the workers "...squarely in the middle of the pack when compared to the other comparable employers..." (Brief page 7).

Regarding the effective date of the pay increase, the Employer opposes retroactive application of any payments, claiming the Union could have reached a settlement but chose not to, which extended the process and caused the facility to incur additional costs. Moreover, the Employer's fiscal year ended on October 1, 2024, and any future reimbursements rates are based upon hours worked in the previous fiscal year. The Employer maintains the initial raise should take effect on the first day of the pay period following the execution of the parties' agreement. (Brief page 8).

Due to the significant wage increases offered in year one, and given the financial condition of the facility, the Employer believes that its more modest proposals for years two and three should be adopted over the Union's proposals. The Employer proposes fifty-five cents (\$.55) per hour effective the first day of the pay period following the first anniversary of the parties' agreement, followed by an additional fifty-five cents (\$.55) per hour effective the first day of the pay period following the second anniversary of the parties' agreement.

DISCUSSION AND ANALYSIS – PAY INCREASES AND EFFECTIVE DATES

The parties' contract expired December 31, 2023. It's been a long time since employees have had a raise. The parties agree the hourly rates need to be more competitive. The parties agree that if the Sunday Premium is deleted then employees need to be compensated for the lost income. I agree with the Employer that \$1.45 increase proposed in year one is significant. But what gets lost in translation is that .85 of that proposal is for the lost Sunday premium. It is not new money; the Employer is folding into the hourly rate what they had been paying in Sunday premium which is about five percent of the regular payroll. With that background, I recommend the Union's proposal of a seventy-five cents (.75) per hour increase in year one to be added to the pay scales prior to the 5% increase

replacing the Sunday premium (if recommendation is adopted). This amount, when coupled with the recommendation of 5% for the deletion of Sunday premium still places the facility's classifications in a competitive position relative to the external comps.

As to the effective date, I recommend that, effective the first day of the pay period following January 1, 2025, the Employer will increase the pay rates by seventy-five cents (.75) per hour and make necessary retroactive payments as soon thereafter as possible. If adopted, the 5% increase in pay rates replacing the Sunday premium will be added to the pay rates after the .75 increase and should not be included in any retroactive payments.

As to subsequent raises, I recommend the Employer's proposal of fifty-five (.55) per hour in both year 2 and year 3 of the agreement. The recommended expiration date of the new collective bargaining agreement is December 31, 2027.

These recommendations adopt a mixture of Union and Employer proposals and places the contract back to a December 31 expiration, while providing some back pay to the Union members. Not having heard any arguments from the parties that a December 31 expiration presented a problem, I feel that is the right thing to do.

RECOMMENDATION – PAY INCREASES AND EFFECTIVE DATES

Recommend that, effective on the first day of the pay period following January 1, 2025, the Employer increase the pay rates by seventy-five cents (.75) per hour and make the necessary retroactive payments to January 1, 2025, as soon thereafter as possible. If adopted, the 5% increase in pay rates replacing the Sunday premium will be added to the pay rates after the .75 increase.

Recommend that, effective on the first day of the pay period following January 1, 2026, the Employer increase the pay rates by fifty-five cents (.55) per hour.

Recommend that, effective on the first day of the pay period following January 1, 2027, the Employer increase the pay rates by fifty-five cents (.55) per hour.

Recommended the expiration date of the new collective bargaining agreement be December 31, 2027.

6. SUMMARY OF RECOMMENDATIONS

ISSUE	RECOMMENDATION
Paid Leave Days Section 5	Recommend adoption of the Employer proposal, as reproduced above, but add “calendar” in the last line.
Paid Leave Days Sections 1, 2	Recommend adoption of the Employer proposal, as reproduced above. I further recommend that the Employer consider crediting affected employees' PLD accrual using the “pre-corrected method” from the date the Employer unilaterally corrected the mistake to the date of this Report. Thereafter, accruals are subject to the Employer’s proposal.
Sunday Premium	Recommend that effective the beginning of the first full pay period after implementation of the new collective bargaining agreement, delete Article 26- SUNDAY PREMIUM. In return for deleting Article 26, all bargaining unit classifications pay rates will be increased by five percent (5%) across-the-board; such 5% increase to be applied after the contract raise is added to the pay scales.
Pay Increases and Effective Dates	<p>January 1, 2025 - .75 per hour retroactive to January 1, 2025. Retroactive payments do not include the 5% increase for loss of Sunday premium.</p> <p>January 1, 2026 - .55 per hour</p> <p>January 1, 2027 - .55 per hour</p>
Contract expiration	December 31, 2027

[signed] Steven B. Stratton
Fact Finder

March 10, 2025