

Labor Relations

Overview of Collective Bargaining



Washtenaw County Board of Commissioners
Working Session
February 17, 2011

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2. Washtenaw County Bargaining Units
3. Mandatory Subjects of Bargaining / Economic
4. Mandatory Subjects of Bargaining / Non-Economic
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6. Negotiating Teams
7. Vision & Guiding Principles
8. Next Steps & Timelines



Statutory Framework

Purpose

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- The 1st federal labor relations act was enacted by Congress in 1935 to assure that interstate commerce would not be impeded by labor disputes and work stoppages.
- The same legislative goals are found in the state law which permits and regulates labor unions for public sector employees in Michigan:
 - *It is in the public's interest that the offices of the government and the services provided by the government to the public are not impeded by the existence of a labor dispute*

Public Policy

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- Per Michigan law, the articulated public policy on labor relations is:
 - An acknowledgement that best interests are served by the prevention or prompt settlement of disputes;
 - That strikes and lockouts lead to overall economic waste;
 - That citizens have rights in the process and should be considered; and
 - That voluntary mediation of disputes promotes long-term benefits to all.

Mandatory Subjects of Bargaining

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- The state law requires the parties to negotiate over mandatory subjects of bargaining:
 - Wages
 - ✦ Hourly rate, shift premium, vacation pay, time spent on union business, fringe benefits
 - Hours
 - ✦ Actual hours worked, overtime, lunch breaks
 - Working Conditions
 - ✦ Promotions, seniority, layoffs, shift preference

Employment Statutes

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- ***Labor Relations and Mediation Act (LMA)***, Act 176 of the Public Acts of 1939, as amended
 - The law grants full collective bargaining rights to private sector employees, provides for settling representation disputes, the hearing of unfair labor practice charges, the mediation of contract disputes as well as grievances, and set up a three person Employment Relations Commission (MERC) to administer this as well as the public bargaining laws.
- ***Public Employment Relations Act (PERA)***, Act 336 of 1947, as amended
 - PERA provides for the recognition of an exclusive bargaining agent for public employees in appropriate units & prohibits certain acts as unfair labor practices, it also prohibits strikes in the public sector. State employees are specifically excluded from PERA.
- ***Compulsory Arbitration of Labor Disputes in Police and Fire Department (Act 312)***, Act 312 of 1969, as amended
 - Act 312 provides for the compulsory arbitration of labor contract disputes between public safety employees of police and fire departments who are otherwise covered by PERA. While the MERC administers Act 312, the arbitration is carried out by private neutral arbitrators according to a MERC sponsored selection process. Following a hearing before the arbitrator of all issues in dispute, the neutral must make a decision giving attention to the list of criteria. The arbitrator is required to settle economic issues by selecting the last offer of either party which best meets the established criteria.

Obligation to Negotiate

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- There is an established process for arriving at a collective bargaining agreement through a give and take of proposals (bargaining in good faith).
- The agreement provides the framework, however the grievance procedure provides for the process in which disputes over situations will be discussed and handled.
- The **grievance procedure** is the most important part of the agreement as there is no way that either side can predict the factual circumstances which may arise during the term of the agreement.



Washtenaw County Bargaining Units

Union Groups

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- **AFSCME Local 2733** **# of Members = 621**
 - **Unit A:** All general Washtenaw County professional employees whose classifications require a 4-year degree or higher, excluding Supervisors
 - ✦ **# of Members = 340**
 - **Unit B:** All general Washtenaw County employees whose classification requires less than a 4-year degree, excluding Supervisors
 - ✦ **# of Members = 176**
 - **Unit C:** All employees of the 22nd Judicial Circuit Court and the Friend of the Court, excluding Supervisors
 - ✦ **# of Members = 53**
 - **Family Division – Juvenile Center:** All employees of the Family Division – Juvenile Center, excluding Supervisors
 - ✦ **# of Members = 29**
 - **Juvenile Detention:** All employees of the Washtenaw County Juvenile Detention Center, excluding Supervisors
 - ✦ **# of Members = 23**

Union Groups

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- **AFSCME Local 3052** **# of Members = 56**
 - **General Supervisors:** All general Washtenaw County Supervisors, excluding executive and administrative employees
 - **Family Division – Juvenile Center Supervisors:** All Washtenaw County Family Division - Juvenile Center Supervisors, excluding executive and administrative employees

Union Groups

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- **Michigan Nurses Association**
 - **Unit I:** Public Health Nurses
 - ✦ **# of Members = 12**
 - **Unit II:** Public Health Nurse Supervisors
 - ✦ **# of Members = 2**
- **T-POAM**
 - **Unit I:** All Senior Deputy District Court Clerks, Deputy District Court Clerks & Probation Secretaries employed by the 14-A District Court
 - ✦ **# of Members = 24**
 - **Unit II:** All Supervisors & Probation Officers employed by the 14-A District Court, excluding Magistrates & Deputy Court Administrator
 - ✦ **# of Members = 9**

Union Groups

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- **Assistant Prosecutors Association**

- All duly appointed Assistant Prosecuting Attorneys for Washtenaw County excluding the Chief Assistant Prosecuting Attorney & Deputy Chief Assistant Prosecuting Attorney

- ✦ **# of Members = 24**

- **Public Defenders Association**

- All Washtenaw County Assistant Public Defenders excluding the Chief Assistant Public Defender

- ✦ **# of Members = 13**

Union Groups

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- **Police Officers Association of Michigan**
 - All general staff of the Sheriff's Department including Deputies, Correction Officers, Communication Dispatchers and Support Staff
 - ✦ **# of Members = 251**
- **Command Officers Association of Michigan**
 - All supervisory staff of the Sheriff's Department including Sergeants and Lieutenants
 - ✦ **# of Members = 32**

Non-Union Groups

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- **Elected Officials**
 - # of Employees = 26
- **Department Heads**
 - Non-Union = 18
 - Court = 2
- **Professionals / Managers**
 - Non-Union = 146
 - Court = 35
- **Support Staff**
 - Non-Union = 22
 - Court = 12
- **Non-Union Sheriff**
 - receive wages & benefits consistent with COAM
 - # of Employees = 9

Salary & Compensation Plan – Non-Union

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- **Pay-for-Performance evaluation & salary system**
 - No automatic steps
 - No longevity
- **Negotiated union salary adjustments are generally extended to non-union groups to avoid internal compression**



Mandatory Subjects of Bargaining

Economic Provisions

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- **Salary**

- New Hire – Step 1 or 2 of salary grade:
- May hire up to midpoint with Administrator’s approval; may hire beyond midpoint with BOC approval
- Annually:
 - ✦ On anniversary date – move to next step within salary grade
 - ✦ Across-the-board negotiated increases
- Reclassification – granted 1 step increase on new salary grade (generally equivalent to 4%)
- Promotion – granted 2 steps on new salary grade (generally equivalent to 8%)

- **Longevity**

- Bargaining unit employees are provided longevity commensurate with years of service with Washtenaw County

Economic Provisions cont.

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- **Retirement**

- **Washtenaw County Employees' Retirement System (WCERS)**

- ✦ **# of Members = 1001; Deferred Members = 24; Retirees / Beneficiaries = 727**
- ✦ 7.5% contribution for general employees; 7% contribution for Sheriff (POAM & COAM)
- ✦ 2.0% multiplier for general employees; 2.5% multiplier for Sheriff
- ✦ Rule of 75, minimum age 50 for general employees; 20 & out for Sheriff

- **Municipal Employees' Retirement System (MERS)**

- ✦ **# of Members = 286; Deferred Vested Members = 17; Retirees / Beneficiaries = 10**
- ✦ Sheriff employees only
- ✦ 8% employee contribution
- ✦ 2.75% multiplier
- ✦ Age 50 with 25 years of service; Age 60 with 10 years of service

- **Voluntary Employees' Beneficiary Association (VEBA)**

- ✦ 501(c)9 Trust established to pre-fund retiree health care benefits

Economic Provisions cont.

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- **Health Care Benefits**

- Employees in “benefited positions” have access to the following Flexible Fringe Benefits
 - ✦ Health Care (BC/BS PPO, Level 1, 2 or 10 based on years of service)
 - ✦ Dental Care (BC/BS) – employees may buy-up for additional coverage
 - ✦ Optical Insurance available at 100% employee cost of premium
 - ✦ Life Insurance (minimum 1x salary is provided; employees may purchase up to 6x salary or \$300,000)
 - ✦ Long-Term Disability
 - ✦ Short-Term Disability & other voluntary insurance programs are available at 100% cost of premium
 - ✦ Health Care Reimbursement Acct (HCRA)
 - ✦ Dependent Care Reimbursement Account (DCRA)

- **Overtime / Compensatory Time**

- **Paid Leave Time**

- **Statutory**

- FICA
- Workers’ Compensation
- Unemployment Insurance

Non-Economic Provisions

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- **Grievance Procedure**
- **Working Hours**
- **Leaves of Absence Without Pay**
- **Transfers & Promotions**
- **Seniority**
- **Layoff & Bumping**
- **Progressive Discipline & Discharge**
- **Performance Evaluations**
- **Management Rights**

Interest-Based Bargaining

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- **Washtenaw County began using IBB in 2002, at which time 5-year contracts were negotiated within established timelines, meeting both parties interests & concerns**
- **IBB provides:**
 - greater flexibility through enhanced communication
 - a clear understanding of the interests and concerns that are facing the group
 - an opportunity to generate & consider options to satisfy particular interests that may never have been considered before
- **Enhances the labor-management relationship:**
 - focus on issues, not personalities
 - focus on the present and future, not the past
 - focus on the interests underlying the issues, not only on positions
 - focus on mutual interests, and helping to satisfy the other party's interests as well as your own
 - brainstorming can generate options to satisfy mutual and separate interests
 - options to satisfy those interests should be evaluated by objective criteria, rather than power or leverage

Negotiating Teams

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- **Base Team:** Verna McDaniel, Bill Reynolds, Diane Heidt, Jennifer Watson, Kelly Belknap, Joanna Bidlack, Patrick Barrie, Rolland Sizemore, Jr., Dan Dwyer, Greg Dill, Janis Bobrin; **Resources** → Barbara Finch, Monica Boote, Chyanne Cooper
- **Negotiating Team:** Diane Heidt, Kelly Belknap, Donna Sabourin, Bob Tetens, Lisa Greco, Dan Dwyer, Judah Garber

Vision & Guiding Principles

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- **VISION**

- To create a product and process that both the union and management are satisfied with

- **GUIDING PRINCIPLES**

- Partnership:
 - ✦ Purpose
 - ✦ Right to say “No”... ensure that everyone is heard
 - ✦ Honesty (full disclosure)
 - ✦ Accountability
- Engagement – Communication
- Fit within the 5- & 10-year Financial Projections
- Even Application of Policy
- Employee Morale (openness & communication)
- Professional Approach (respect & trust)
- Measures of Success / Checkpoints
- Communication (engagement & employee morale)

Next Steps & Timelines

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- **March 3, 2011 presentation – Executive Session**
 - Financial Overview
 - Labor Relations Strategy
- **Interest Based Bargaining – March 21 & 23, 2011**
- **Negotiations**
 - Begin Expedited Negotiations – March / April, 2011
 - Requested Completion – July 1, 2011



Questions