The Road to Fact Finding
A Case Study of One District’s 18 Month Journey

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MASB

Initial Meeting
April 21, 2014

BACKGROUND
- Current teacher contract set to expire June 30, 2014 (2 year agreement).
- Support staff recently took a 1% cut which district was hoping to restore in separate negotiations.
- Prior negotiations were acrimonious with the district feeling like they spent too much and the teachers feeling like they gained too little.
- Teachers now expecting “to get paid” for everything they “gave up” to “help the district” during the last bargaining session.
- Prior contract still contained Agency Shop language as well as other prohibited subjects of bargaining.

DISTRICT GOALS
- District bargaining team is hoping for a 1 year contract which the staff will be satisfied with but keeps costs under control.
- Outer limits = step + 2% on-schedule raise.
- Short contracts allow for a yearly review of finances and adjustments based upon those.
- Teachers had always received their step in the past.
- Teachers had never experienced a pay cut.
Digging a Little Deeper

Prior to initial bargaining session we take a hard look at the districts financial outlook:

A Frank Discussion

All of the financial indicators are heading in the wrong direction, and fast.

Time to “pull back on the reigns.”

Too many districts wait until it’s too late to begin reducing salary costs.

Avoiding Deficit District Status must become the priority
A Frank Discussion
At its current rate, the district is 6-7 years away from being a deficit district.
The time to start making cuts is now.

District’s Initial Proposal:
- 1 year agreement
- No steps (lanes granted)
- 2% on schedule cut

A Frank Discussion
The thought:
- Establish the “reality” of the district’s financial situation.
- Establish that, if trends continue, cuts are coming at some point.
- Acquaint all with the concept of Deficit District Status and the need to avoid it (or put it off as long as possible).

The First Negotiation Session
May 1, 2014

District Proposal
- 1 Year Contract
- No Steps
- 2% pay cut

Union Proposal
- 1 Year Contract

Total Cost:
$549,248
In year 1
$1.65 Million
over 3 years

- 1% added to all extra curricular duties
The First Negotiation Session

Recall...

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
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<tr>
<td>Fund Balance (in $)</td>
<td>5,708,312</td>
<td>4,400,000</td>
<td>2,000,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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</tbody>
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At the Table:
- The District's financial situation is explained
- The Union bargaining reps “understand” the situation and accept it... but “we must remain firm in our requirements.”
  “We won’t get our membership to vote for anything that doesn’t incorporate steps and a raise to make up for what was taken last time.”
  “Can’t keep balancing the budget on the backs of the teachers!”

At the Table:
- Based upon things that occurred during prior contract negotiations the union is informed that all proposals will be posted on the district website.
  - This is not well received.

Why do this?
- Transparency
- No Spin

By the end of negotiations the union was asking when the postings would go up so that they could tell their members to “just look there.”
The Process
- Communications and meetings continue to occur over the next three months.
- District softens on cuts, begins to offer “share the wealth” proposals.
- Calendar agreement reached, but union refuses to ratify.
- Union requests mediation.

First Mediation
July 31, 2014
- Realization that the year may start without a contract takes hold.
- Mediator is frank about the situation.
  - Understands District circumstances but acknowledges that the Union is refusing to budge.
- Teams explore longer term contracts (3 yrs.) with small, “controlled” raises.

First Tentative Agreement
September 8, 2014
- District is now willing to increase pay, but only in a small, controlled manner.
- Union is now more amenable to discuss realistic numbers.
- “Baby steps” toward affordable 1 year contract.

“We have to have something. Just give us an offer without cuts and we can probably get a deal, but we can’t take a cut back to our members.”
First Tentative Agreement
September 8, 2014
- One year agreement
- No steps
- Lane changes
- $500 off schedule payment bonus
- Insurance contribution to maximum allowable levels
- 1% increase to schedule C&D

Post TA #1
- Transition has been made from demanding cuts to providing a raise of some type: NO GOING BACK.
- District no longer has incentive to move the talks along; let the union dictate the pace.
- Superintendent of schools is added to bargaining team at the union’s request.
Post TA #1
- Sporadic meetings continue.
- Calendar is being implemented on a month to month basis.
- Union has no sense of urgency, despite the fact that every day that goes by they are now technically losing money based upon the rejected TA.

"Steps and lanes are critical to getting a deal passed by our members."

Second Mediation
November 13, 2014
- District arrives at mediation with offers that rely on “share the wealth” concepts.
- Union tells mediator that they must get a step.

"A Step isn’t a raise, it’s a fundamental right under the contract!"

Second Tentative Agreement
November 13, 2014
- One year agreement
- Steps
- Insurance contribution to a compromise level
- 1% increase to schedule C&D
- 7% increase to the robotics stipend

Less money than before?
Yes... but steps constitute "built in" costs.

Total cost through June 30, 2015: $101,000
Second Tentative Agreement

November 13, 2014
- One year agreement
- Steps and lanes granted
- Insurance contribution to a compromise level
- 1% increase to schedule C&D
- 7% increase to the robotics stipend

Post TA #2
- Again, every day without a contract saves the district money.
- Union steps up its “visibility” within the community: T-shirts, signs.

Our teachers deserve a fair contract!!

Post TA #2
- Again, every day without a contract saves the district money.
- Union steps up its “visibility” within the community: T-shirts, signs.
- Union has no urgency to resume talks.
- District begins to push for additional meetings.
- Explore reducing insurance costs.
Post TA #2

Next meeting: January 26, 2015
- 9 months after initial meeting.
- 7 months after contract expired.
- 3½ months after last TA rejected.
- Union adds members to its team (more cooks in the kitchen).

Post TA #2

January 26, 2015
- Union submits informal proposal:
  - 2-year proposal (2014–2016)
  - 1% on schedule raise for ‘15–’16
  - Insurance contribution to maximum allowable level

Post TA #2

January 26, 2015
- Union submits informal proposal:
  - 2-year proposal (2014–2016)
  - 1% on schedule raise for ‘15–’16
  - Insurance contribution to maximum allowable level

All BUILT IN costs. This proposal will also cost the district $391,500 for ‘16–’17... and that’s without having negotiated a new deal!
Post TA #2
January 26, 2015
- Union submits *informal* proposal:
  - 2 years (2014-2016)
  - Steps/lanes for both years
  - 1% *on-schedule* raise for ’15–’16
  - Insurance contribution to maximum allowable level
- Proposal is rejected by district.

"Based on feedback from our members, the district needs to put some *real* money in our pockets to show that the board appreciates us."

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Post TA #2
January 26, 2015
- District team is exasperated.
  - They need “something” and we give them “something”! – REJECTED!
  - They need that “something” to be a step, so we make it a step! – REJECTED!
  - Now we’re back to proposals that are nearly as bad as their initial offer!
- “Let’s just get something done!”

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Post TA #2
January 26, 2015
“Let’s just get something done!”
“I’m sick of feeling like we’re bashing our teachers!”

“Let’s just give them what they want, and then, when the district goes under, we’ve proven our point.”

*CAREFUL!!*
Post TA #2
January 26, 2015
Ask yourselves:
- Is the community taking a side?
- Are we falling prey to a tactic?
- Teacher compensation must be viewed through the prism of your peers...
  - Remember how we’re doing vis-à-vis surrounding districts re: compensation
  - Do right by the district/do right by the kids.

Post TA #2
January 26, 2015
Time to give them our “top” offer:
- $1,000 off-schedule payment
- Tax free? Sure. Make it $1,400
- Insurance contribution to remain at ’13–’14 levels.
  - Negotiations for ’15–’16 to begin after May 5 road funding vote.

This gets us a contract, and the build-up sets us up for “serious” talks regarding cuts for the next year should the financial situation continue down its current path.

Third Tentative Agreement
January 26, 2015
- One year agreement
- $1,400 off-schedule payment
- Insurance contribution to remain at ’13–’14 levels
  - Negotiations for ’15–’16 to begin after May 5 road funding vote

Total cost through June 30, 2015: $231,000
Third Tentative Agreement

January 26, 2015
- One year agreement
- $1,400 off schedule payment
- Insurance contribution to remain at '13–'14 levels
- Negotiations for '15–'16 to begin after May 5 road funding vote

Post TA #3
- Anticipating yet another rejected TA, we had a press release ready to go.
- After being informed of results by union, we receive no additional contact for over a month.
  - Where is the urgency?
- Union continues to message re: “fair contract” but the message is not impactful.
  The situation just keeps costing teachers more money.

Post TA #3
- Union is now taking no ownership of the prior agreements with its members.
- Does their bargaining team even have the authority to bargain?
- Unfair Labor Practice?
  "This is what we get for trying to act in good faith."
  "Let's just give them what they want and blame them for bankrupting the district."
  "We should file a ULP and implement a contract."
Post TA #3

- Union indicates that it will “be in touch” regarding our next meeting.
- We hear nothing for 3 weeks.
- Meanwhile the rumor is that the district is dragging its feet and isn’t bargaining in good faith.
- This, after 3 TA’s have been reached, all rejected by union membership.
- Press releases and discussions with the media help get a counter message out.

Next Meeting: March 31, 2015

Union proposal:
- 0% and no steps for the remainder of ’14–’15
- 2 steps for ’15–’16
- 1% on schedule raise for ’15–’16
- Insurance contribution set between ’14 and ’15 limits

Total cost through June 30, 2015: $0

Total cost through June 30, 2016: $421,200
Post TA #3

Next Meeting: March 31, 2015

Union proposal:
- 0% through remainder of '14
- 2 steps for '15–'16
- 1% on schedule raise for '15–'16
- Insurance contribution set between '14 and '15 limits

Total cost through June 30, 2017: $842,400

Again, BUILT IN costs. Negotiations in the Spring of 2017 begin with these additional expenses as the new base line.

Post TA #3

March 31, 2015

District’s response:

“We’re going to Fact Finding.”

Post TA #3

March 31, 2015

- Should the district be asking for Fact Finding here?
  - Sit back, wait, and save some money! Right?!
    - This is not how the board felt.
    - RESOLUTION WANTED.
- The Union appeared to think that community pressure would mount but there was no evidence for this.
  - Nevertheless, the board did want a resolution.
Fact Finding?

- Non-binding.
- Generally must occur before a district can implement.
- Will often cause the Union to “ramp up” its rhetoric.

Pre-Fact Finding

- Fact Finding information gathered and request filed by April 7.
- Union requests that negotiations remain ongoing.
  - District responds that proposals will still be entertained, but under no duty to meet face to face.
  - Union begins to inform its members that District is “refusing to bargain.”

Pre-Fact Finding

- Union begins to wage its own “hearts and minds” campaign.
  - Flyers requesting support at board meetings.
  - Ineffectual, few teachers show up, even fewer community members.
- District prepares brief but detailed presentation outlining its financial situation as a board meeting agenda item.
  - Bolstered by news articles detailing crisis in other districts.
Pre-Fact Finding

The Process:
- Possible Fact Finders are vetted.
- District’s private counsel assisted in selection.
- Both sides chose same individual.
- Date set for June 30, 2015.
- Presentation begins to take shape immediately.
- MEA utilizes an attorney and economist to assist the local Uniserve.

Pre-Fact Finding

A week before the hearing, MEA attorney approaches with a proposal to make the Fact Finder’s recommendation “binding.”

Pros:
- Ensures that the matter ends with Fact Finding.
- Demonstrates that the board is willing to follow the recommendations of a third party.
- Precludes any need to implement.

Cons:
- Can unnecessarily lock the district into an unaffordable contract.
- The District can always simply implement.
- Do we have the legal authority to even do this?

Pre-Fact Finding

Question:
Should you make Fact Finding “binding” from a district’s perspective?

Answer:
Generally, NO.
But, there can be situations where it makes sense for your district.
Pre-Fact Finding

The school board decided that making the fact finder’s decision binding upon the parties served a greater purpose here.

“If a neutral third party comes back and tells us that we’re wrong, that we CAN afford more and that the teachers deserve more, than we should give it to them.”

Pre-Fact Finding

“If a neutral third party comes back and tells us that we’re wrong, that we CAN afford more and that the teachers deserve more, than we should give it to them.”

- The problem with this, of course, is that sometimes the fact finder really doesn’t grasp things as well as you might hope.
- Do Fact Finders really go “off the rails” that often? NO.

Fact Finding

June 25, 2015
Fact Finding

Union Theme:
The district has reached a “new normal” and enrollment declines will begin leveling off. Likewise the legislature is about to start funding schools much better.

Fact Finding

District Theme:
The district has been experiencing declines in enrollment, revenue, and fund balance for nearly 8 straight years and all projections indicate that this will continue for the foreseeable future.

Fact Finding

How do you demonstrate your argument?

Be straightforward, simple, and to the point.
Fact Finding

Show trends over time for the primary financial indicators:

- Revenues and Expenses 2008-2016
- Fund Balance Trend 2008-2016
- PPF Enrollment 2009-2016

Fact Finding

Rebut any notions that teacher’s “haven’t gotten a raise in years” and explain the cumulative effect of steps, lanes and raises.

Fact Finding

Cumulative Effects of Teacher Salary Schedule, Lane and Step Increases Only:

<table>
<thead>
<tr>
<th>Year in District</th>
<th>Lane</th>
<th>Salary Step</th>
<th>Salary</th>
<th>Salary Increase (Dollars)</th>
<th>Salary Increase (Percent)</th>
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</thead>
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<tr>
<td>1st</td>
<td>BA</td>
<td>1</td>
<td>$37,818</td>
<td>$3,899</td>
<td>10.31%</td>
</tr>
<tr>
<td>5th</td>
<td>MA</td>
<td>5</td>
<td>$41,717</td>
<td>$10,688</td>
<td>28.26%</td>
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<tr>
<td>10th</td>
<td>MA</td>
<td>10</td>
<td>$48,506</td>
<td>$16,617</td>
<td>43.94%</td>
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<td>13th</td>
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<td>$54,435</td>
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### Fact Finding

Based upon this system, teachers who do not change lanes (by pursuing additional credentials) and those at the top of the scale benefit less from step increases.

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Top of the schedule
No additional lanes available
Making maximum amount

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Top of the schedule
No additional lanes taken
Making maximum amount

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Top of the schedule
No additional lanes available
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Middle of the schedule
Advanced from BA to MA+15
Increased salary 29.3% in 5 years
Fact Finding

Based upon this system, teachers who do not change lanes (by pursuing additional credentials) and those at the top of the scale benefit less from step increases.

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<td>MA+15/5</td>
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<td>$38,284.00</td>
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<td>L.H.</td>
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Middle of the schedule
Advanced from BA to MA+15
Increased salary 28.9% in 5 years

Fact Finding

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Middle of the schedule
Advanced from BA to BA+18
Increased salary 21.2% in 5 years

Fact Finding

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<td>$50,216.00</td>
<td>$51,182.00</td>
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<tr>
<td>D.B.</td>
<td>MA+15/5</td>
<td>$37,818.00</td>
<td>$38,284.00</td>
<td>$40,212.00</td>
<td>$44,681.00</td>
<td>$49,251.00</td>
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<tr>
<td>L.H.</td>
<td>MA+18/17.5</td>
<td>$44,919.00</td>
<td>$50,406.00</td>
<td>$52,382.00</td>
<td>$52,382.00</td>
<td>$54,437.00</td>
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<tr>
<td>K.R.</td>
<td>BA+18/13</td>
<td>$43,229.00</td>
<td>$44,917.00</td>
<td>$44,919.00</td>
<td>$49,457.00</td>
<td>$52,382.00</td>
</tr>
</tbody>
</table>

Middle of the schedule
Advanced from BA to BA+18
Increased salary 21.2% in 5 years
Fact Finding

Show honest comparisons between your district and those that are similarly situated:

Fact Finding

FID 1014 Enrollment Trend Comparisons 2007-2014

Source: Center for Educational Performance and Student count numbers vary between sources. For comparison purposes, FID data numbers are used here.
Fact Finding

Show what the contracts of neighboring districts actually look like (not just salary schedule comparisons):

Fact Finding

Comparables

Our teachers have received a step each year up through 2013-2014 and have never experienced a pay cut. Our teachers have received the maximum allowed health care contribution from the district up through the current round of bargaining. Our support staff received a 1% pay cut in 2013 which was restored to the group in 2015.
Fact Finding

Comparables

Alma

• 2011-2012:
  - Our teachers have received a full step
  - Each year up through 2013-14
  - Our teachers rejected 1/13/14 TA
  - 2% increase which would have provided a step for
  - 2014-15: 1/26/15 TA which would have provided all members with a
    $3,000 (after taxes) payment.

Fact Finding

2014-2015

MASTER CONTRACT
A Meritocratic Agreement
and
Alma Board of Education
Only a ¼ step for '14-'15

3/7/2016

A "3/4 step"

Eliminated BA+20 lane

No on-schedule or off-schedule raise

SCHEDULE A 2014-15
Appendix F

MABELLE NAIFUZU: AARON ROYSE a a u a u

Appendix F

 Eliminated BA+20 lane

A "3/4 step"
Fact Finding

Alma Fund Balance Trend

2006: $1,732,667
2007: $1,816,495
2008: $1,817,472
2009: $2,101,732
2010: $1,911,685
2011: $1,752,476
2012: $1,915,466

Fact Finding

Alma Enrollment Trend

2007: 2,441
2008: 2,362
2009: 2,321
2010: 2,265
2011: 2,286
2012: 2,244
2013: 2,235
2014: 2,232

Fact Finding

SPELL IT OUT FOR THEM
Fact Finding

**The Future**

District fund balance reductions:

- 2008-09 → $580,899
- 2009-10 → $507,264
- 2010-11 → $198,473
- 2011-12 → $712,777
- 2012-13 → $62,606
- 2013-14 → $282,894
- 2014-15 → $291,049

**Average reduction per year over 7 years**: $358,678

Fact Finding

2015-16 starting fund balance - $2,239,264
- $358,678
- $1,880,586

2016-17 starting fund balance - $1,880,586
- $804,552
- $1,076,034

2017-18 starting fund balance - $1,076,034
- $358,678
- $717,356

2018-19 starting fund balance - $717,356
- $804,552
- $90,804

2019-20 starting fund balance - $90,804
- $358,678
- $558,678

2020-21 starting fund balance - $558,678
- $2,541
- $87,196
Fact Finding

The Future

2021-22 starting fund balance

\[
\begin{align*}
\$ & 87,196 \\
- \$ & 358,678 \\
- \$ & 271,482
\end{align*}
\]

The longer you can hold off Deficit District Status the greater the chances that something may happen to prevent it.

If current trends continue we are facing deficit district status in 6 years.

---

Fact Finding

The Future

If the Union’s latest proposal were adopted:

- No step for ‘14’15
- 2 steps in ’15’16
- Lane changes
- 1% On-schedule raise
- Maximum insurance contributions each year

TOTAL COST:

\$421,223 (Year 1)
\$1.02 million over 3 years

---

Fact Finding

The Future

2015-16 starting fund balance

\[
\$223,264
\]

- $1.954,107

2016-17 starting fund balance

\[
\$1,954,107
\]

- $222,612

2017-18 starting fund balance

\[
\$299,891
\]

Cost of MEA most recent proposal (year 1).
Cost of MEA most recent proposal (year 2).
Built in costs from MEA proposal carry forward... the figure does not account for any additional cost projections after expiration of current negotiations in 2017.
This proposal would, in all likelihood, push us into Deficit District Status in 3 years.

**Fact Finding**

**What does deficit district status mean for a district?**

District must submit to MDE a Deficit Elimination Plan (DEP) to eliminate deficit spending within two years or have state aid withheld (see MCL 388.1702).

- Submit monthly budget reports to MDE
- Submit revised DEP’s if new budgets are adopted or if significant data changes (enrollment, fund balance, etc.)

MDE does not “dictate” how the deficit situation should be eliminated but DEP plans which are not considered realistic or “viable” are rejected. “Viable” plans invariably require massive cuts to salary expenses.

**Necessary cuts to spending virtually always include significant cuts to employee salaries:**

- Perry – 10% wage cut to teachers each year for 2 years
- Mt. Clemens – laid off 34 employees plus 6.7% cut in one year
- Clintondale – 6% wage cut each year for two years
- Bedford Union – 11.5% “donation” of wages back to district each year for two years
- Iron Mountain – 7.5% wage cut to all staff each year for two years
- Pinckney – 3.5% wage reduction each year for two years
- Bridgport-Spaulding – 4.5% wage cut (year 1), 4% cut (year 2), 3% cut (year 3)
- Southlake – Teachers work five unpaid days for three years
- Alpena – 10% wage cut and 3.29% on schedule cut
- Ecourse – 11% wage cut (year 1), 8% cut (year 2)

---

**The Future**

2018-19 starting fund balance

- $ 299,891
- $ 222,612
- $ 604,496
- $ 527,217

This proposal would, in all likelihood, push us into Deficit District Status in 3 years.
**Post-Fact Finding**

**Rebuttal Brief:**
- Re-emphasize your points.
- Rebut the Union’s arguments.
  - Point out how they could not refute the districts data.

**Post-Fact Finding**

**Rebuttal Brief:**
- Union showed no counter evidence regarding declining revenue/fund balance/enrollment.
- Union did not allege or demonstrate any mismanagement.
- Any assertion that enrollment will increase was based on inaccurate speculation.
- The district must do better financially *first*, then we can discuss more substantial wage increases.
- Union rhetoric changes depending upon the audience.

**Post-Fact Finding**
Fact Finding Decision

Fact Finders decision rendered on September 25, 2015. That’s:

- 3 months after the hearing.
- 6 months after making the request.
- 8 months after the THIRD Tentative Agreement.
- 13 months after the FIRST Tentative Agreement.
- 17 months after the initial meeting.

Fact Finding Decision

Union Proposal
- 2 year contract
- No step for ’14–’15
- 2 steps in ’15–’16
- 1% On-schedule raise

Cost: $0 – ’14–’15
$423,233 – ’15–’16
$1.02 million – 3 year cost
MUST BARGAIN AGAIN IN ’16 –’17

District Proposal
- 3 year contract
- No step for ’14–’15
- 1 step in ’15–’16
- 0.25% on-schedule raise
- No step for ’16–’17
- $750 off-schedule bonus

Cost: $0 – ’14–’15
$316,948 – ’15–’16
$573,700 – 3 year cost
COSTS LOCKED IN THROUGH ’16 –’17

Fact Finder’s Proposal
- 3 year contract
- No step for ’14–’15
- 1 step in ’15–’16
- 0.5% on-schedule raise
- No step for ’16–’17
- $750 off-schedule bonus
### Fact Finding Decision

<table>
<thead>
<tr>
<th>Fact Finder's Proposal</th>
<th>First Tentative Agreement</th>
<th>Third Tentative Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 year contract</td>
<td>1 year contract</td>
<td>1 year contract</td>
</tr>
<tr>
<td>No step for ‘14–’15</td>
<td>No step for ‘14–’15</td>
<td>No step for ‘14–’15</td>
</tr>
<tr>
<td>1 step in ’15–’16</td>
<td>500 off-schedule bonus</td>
<td>$177,000 for ’14 – ’15</td>
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<tr>
<td>0.5% on-schedule raise</td>
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<td></td>
</tr>
<tr>
<td>No step for ’16–’17</td>
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<td></td>
</tr>
<tr>
<td>$750 off-schedule bonus</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Teachers received $50 for ‘14 – ’15 school year.

**First Tentative Agreement**
- 1 year contract
- No step for ‘14–’15
- $500 off-schedule bonus

Teachers would have received $177,000 for ’14 – ’15 school year.

**Second Tentative Agreement**
- 1 year contract
- 1 step for ‘14–’15

Teachers would have received a permanent step equal to $101,000 for ’14 – ’15 school year.

**Third Tentative Agreement**
- 1 year contract
- No step for ‘14–’15
- $1,400 off-schedule bonus

Teachers would have received $231,000 for ’14 – ’15 school year.

---

### Fact Finding Decision

<table>
<thead>
<tr>
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<th>Third Tentative Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>for ’15 – ’16 school year teachers received a step and a 0.5% raise.</td>
<td>New negotiation</td>
<td>New negotiation</td>
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<tr>
<td>Equivalent to $236,948</td>
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</table>

**Second Tentative Agreement**
- New negotiation
- With a step built into the base

**Third Tentative Agreement**
- New negotiation
- With a step built into the base

---

### Fact Finding Decision

<table>
<thead>
<tr>
<th>Fact Finder's Proposal</th>
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<th>Third Tentative Agreement</th>
</tr>
</thead>
<tbody>
<tr>
<td>for ’16 – ’17 school year teachers receive a $750 off-schedule bonus.</td>
<td>New negotiation</td>
<td>New negotiation</td>
</tr>
<tr>
<td>Equivalent to $356,760</td>
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</table>

**Second Tentative Agreement**
- New negotiation
- With a step built into the base

**Third Tentative Agreement**
- New negotiation
- With a step built into the base

---
Fact Finding Decision
Bottom Line:
- The district gained 3 years worth of contracts with “built-in” costs of only one step and a single 0.5% raise.
- The teachers lost out on one year’s pay raise but received $600,000 in additional compensation for what amounted to a 3 year agreement.
- Guaranteed no cuts until at least 2018.

Fact Finding Decision
Bottom Line:
- What the teachers received was largely a bi-product of concessions the district made, not the Fact Finding process. Had the district entered Fact Finding with a more modest proposal, it probably would have been adopted.
- Ultimately the district prioritized a “fair” resolution over simply saving money.

Fact Finding Decision
Bottom Line:
- The District still saved money in relation to every Union proposal offered.
- The District didn’t have to “impose” and was vindicated by the Fact Finder as to its last proposal.
- Will this experience impact the next negotiation process?
Questions?
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517-327-5922