

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA LABOR RELATIONS BOARD

In the Matter of Fact-Finding	(Fact-Finding Report
	(and
Between	(Recommendations
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Deer Lakes School District	(Case No. ACT 88-17-19-W
	(
and	(Date of Hearing: September 13, 2017
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Deer Lakes Education Association, PSEA/NEA	(Date of Report: September 25, 2017
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Michelle Miller-Kotula
Fact-Finder

For the District: Raymond F. Sekula, Esq.
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For the Association: Kelly H. Compeau
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Background

By letter dated August 15, 2017, the Pennsylvania Labor Relations Board (PLRB), pursuant to Act 88 of 1992 (Act 88) and the Public Employer Relations Act (PERA), appointed the undersigned as Fact-Finder in the impasse between the Deer Lakes School District (hereafter referred to as the “District”) and Deer Lakes Education Association, PSEA/NEA (hereafter referred to as the “Association”). The Association represents a unit of approximately 134 bargaining unit teachers. The District includes the Townships of East Deer, West Deer and Frazer, located in Allegheny County, Pennsylvania.

The parties to this Fact-Finding have an ongoing bargaining relationship and are parties to a collective bargaining agreement (hereafter referred to as the “CBA”) which was effective by its terms July 1, 2013 to June 30, 2017. The parties began formal negotiations in May 22, 2017, exchanged proposals and met approximately thirteen times, including sidebar discussions in an attempt to negotiate a successor CBA. Several tentative agreements were reached by the parties, but they were unable to reach agreement on all issues raised during the course of bargaining. As a result, a Request for Fact-Finding was initiated by the Association.

In accordance with the PLRB’s Order, the parties filed written statements of the issues in dispute with the Fact-Finder involving the following:

Article VI B	Teacher Work Year
Article VII A (1)	Length of Day
Article XIV C	Extended Sick Leave
Article XIX B	Health Insurance Premium Payment
Article XXVI A	Effective Date
Appendix A and B	Salary Schedules

On September 13, 2017, a formal fact-finding hearing was held in accordance with the Pennsylvania Labor Relations Act before the undersigned in Cheswick, Pennsylvania. During the hearing, both parties were afforded a full opportunity to present testimony, examine and cross examine witnesses and introduce oral explanations and documentary evidence in support of their respective positions.

Executive Session discussions were held between the parties. Through these discussions, this Fact-Finder was given a thorough understanding of each party's position on the outstanding issues. The parties also informed the Fact-Finder of tentative agreements that were reached.

To arrive at the following recommendations, this Fact-Finder relied upon, among other things, the following criteria:

- The reliable and credible testimony provided, the evidence presented at the Fact-Finding hearing and further clarifications given to questions of this Fact-Finder during Executive Session discussions.
- The expired collective bargaining agreement.
- Comparisons of unresolved issues relative to the employees in this bargaining unit and how those issues related to other districts and public and private employees doing comparable work, giving consideration to factors peculiar to the area and classifications involved.
- The interest and welfare of taxpayers and the ability of the District to finance and administer the issues proposed.
- The understanding that each individual issue has been reviewed for its relative individual merit; at the same time, each individual issue has also been reviewed with consideration given to whether or not it appropriately fits into the CBA created through this process.

ISSUES IN DISPUTE AND RECOMMENDATIONS

Article VI B Teacher Work Year

Association Position:

The Association contends its proposal is based on a portion of the language initially proposed by the District. The Association agreed to the portions of the District's proposal that change the half-hour monthly meeting to a two-hour delay for professional development and reduce the in-service days from nine (9) to eight (8). The Association does not agree with removing the early release on the day before Christmas as the District has proposed.

District Position:

The District has withdrawn its proposal regarding the Teacher Work Year. Certain changes to the School Work Year are part of the District's proposal regarding Article A. 1 Length of Day. The District points out these changes are conditioned upon the District's proposal regarding Article A.1 Length of Day being accepted by the Association.

Recommendation:

The Fact-Finder has reviewed the positions of the parties. The recommendation made in Article VII A (1) Length of Day incorporates the recommended changes.

Article VII A (1)
Length of Day

Association Position:

The Association made its proposal based on a portion of the language proposed by the District. It agreed to the portion of the District’s proposal that adjusts the supervision of students to the end of the teacher work day. In addition, the Association is proposing to add ten (10) minutes to the regular workday.

The Association recognizes its work day in the 2013-2017 contract is well below the average in Allegheny County. The Association has proposed increasing the work day, but maintains any increase in the amount of time worked must be paired with a commensurate increase in salaries. The Association notes the District’s proposal would move the teachers to the longest work day in Allegheny County and the District fails to provide any compensation for additional time worked. The intent of the Association’s proposal is to bridge the gap between the Association’s length of day in the 2013-2017 CBA and the Allegheny County average work day. This proposal is almost exactly the midpoint between the County average and the current work year.

The Association maintains any change in the work day must be an equal exchange of reduction in the work year or in a salary increase.

District Position:

The District is amending its proposal regarding Article VII A. Length of Day to be consistent with its informal proposal made to the Mediator. The District is proposing to add the following minutes to the workday:

Year 1	10 minutes	work day will become 7 hours, 25 minutes
Year 2	15 minutes	work day will become 7 hours, 40 minutes
Year 3	15 minutes	work day will become 7 hours, 55 minutes

The District’s proposal to lengthen the teacher work day by forty (40) minutes over a three (3) year period also involves proposed changes to Article VI B – School Work Year and Appendix A & B (Salaries.) If the District’s proposal to lengthen the teacher work day by forty (40) minutes over a three (3) year period is agreed to by the Association, the District is proposing that the number of work days in the school work year be reduced as follows:

Year 1	work days remain at 192
Year 2	work days be reduced from 192 to 191
Year 3	work days be reduced from 191 to 190
Year 4	work days be reduced from 190 to 189
Year 5	work days be reduced from 189 to 188

All days removed from the work year are to be in-service days.

The District also proposes to eliminate the one-half (1/2) hour monthly meetings described in Article VI B, School Work Year. The District proposes to add the following clause:

“and there will be no duty-free lunch for teachers on the day before Christmas vacation.”
(Teachers are dismissed three (3) hours before the end of the work day on day before Christmas vacation.)

The District’s rationale for proposing that the Teacher Work Day be lengthened is to improve the quality of its education program. Lengthening the day would provide time on a daily basis for professional development/teacher support; meetings focusing on instructional strategies being used and curriculum review, including content areas; data analysis, review of student samples and student centered planning; focus on response to intervention support and interventions being used and their effectiveness; meetings to review benchmark and progress monitoring as well as time to prepare intervention materials; IEP meetings with care managers and teachers including preparation of IEP evaluations; grade level planning, parent meetings; and advance placement/national math and science initiative meetings.

The amount of time available when all of the teachers in each elementary school are available to participate in the different educational topics is five (5) to ten (10) minutes each school day and fifteen (15) minutes at the end of the day for middle school and high school. Teachers are salaried professionals whose input regarding the above described educational activities is absolutely essential to improving the quality of the District’s educational system.

The District proposes to shorten the work year by four (4) days over the life of the contract.

Recommendation:

The Fact-Finder recognizes the District’s need to extend the workday for the teachers. It is therefore recommended for the work day to be lengthened by 20 minutes per day in the second year of the CBA.

The Fact-Finder also recommends to reduce the workdays from 192 to 188, effective the second year of the CBA.

The days to be removed from the work year are in-service days.

**Article XIV C
Extended Sick Leave**

Association Position:

The Association has proposed to reduce the number of days deposited into the sick leave bank by the District from sixty (60) to forty (40). The Association has also proposed language that would permit it to solely determine the make-up of the sick leave bank committee should there be a year when the District does not deposit days into the sick leave bank. The Association contends it proposed language that would permit for the direct donation of days from any bargaining unit member to a sick leave bank member should all of the days in the bank be exhausted.

District Position:

The District contends the parties have agreed to phase out the District contributing to the “Sick Leave Bank” and to have the “Sick Leave Bank” funded exclusively by those members of the

bargaining unit who elect to participate in the “Bank.” The District at the beginning of each contract year, credits each bargaining unit member with the following:

ten (10) paid sick leave days which are cumulative

three (3) personal days which are not cumulative but if not used become accumulated sick leave days

three (3) emergency days

The District states through the Mediator it offered to deposit 30 days into the sick leave bank in only the first year of the new CBA without any further contributions to the sick bank for any years thereafter. The District has also offered to leave the language regarding the Sick Leave Bank Committee.

The District contends it must be involved in administering an employee funded sick bank because public funds are used and it is responsible for making certain that such funds are properly spent. The District takes the position if it were to agree to delegate this duty, the Board of Directors and its administration would be open to a charge of neglect of duty.

The District informally offered to permit bargaining unit members to donate one day per year to a qualifying sick leave bank member once the days in the bank reach zero.

Recommendation:

It is this Fact-Finder’s recommendation that the District’s contribution to the sick leave bank be reduced as follows:

Year 1	45 days
Year 2	45 days
Year 3	40 days
Year 4	35 days
Year 5	30 days

It is recommended because of the fact the District contributes days to the sick leave bank, the District should remain on the sick leave bank committee.

Article XIX B
Health Insurance Premium Payment

Association Position:

The Association has proposed increasing both the percent of premium paid and the monthly cap in each year of the CBA. The Association has proposed increasing health care premium payments from the 2016-2017 rate of 8% of premium capped at \$120 per month to: 2017-2018 = 8% of premium capped at \$125 / month, 2018-2019 = 8.25% of premium capped at \$130 /

month, 2019-2020 = 8.5% of premium capped at \$135 / month, 2020-2021 = 8.75% of premium capped at \$140/month, 2021-2022 = 9% of premium capped at \$145/month. The Association has also adjusted the language for half time employees (Article XIX B (4)) to maintain payment of 50% of the premium plus an additional premium payment patterned after full-time teachers.

The Association is sensitive to increases in health care premium costs. It is for that reason it has proposed increases to premium payments throughout the next CBA. It is significant to note the premiums through the Allegheny County Schools Health Insurance Consortium have increased at a modest rate of 1.90% for the 2017-2018 year, and the five-year average is only 3.93%.

The District has the less expensive EPO plan in the Allegheny County School Health Insurance Consortium. The Association agreed to move to this plan prior to 2003 as a method of providing savings for the District. In the 2016-2017 school year, the savings for the bargaining unit accepting the EPO plan instead of the PPO totaled \$139,557.87.

The Association's proposal uses the Consortium's five-year average increase in premiums (3.93%) as its basis for developing its proposal. A 3.93% increase to the current cap of \$120 would result in the cap increasing to \$4.72. Premium payments would hit the cap for 2018-2019, projecting at the five year average increase in premiums of 3.93%.

The Association crafted a proposal that results in increased premium payments for members each year, but must be cautious that wage increases combined with concessions in health care payments do not result in a net pay decrease. Its proposal increases the premium payment for bargaining unit members in every year of the CBA and maintains those premium shares close to the County averages for those with the EPO plan. It is a reasonable proposal.

District Position:

The District proposes each member receiving health insurance coverage will be responsible for copayments as follows:

Year 1	9%
Year 2	10%
Year 3	10%
Year 4	11%
Year 5	12%

The District believes its proposal for health care insurance premium copayments is more than fair in light of its willingness to provide a four percent (4%) increase for each year of a five year CBA. The reasonableness of the District's proposal is also supported by the fact a substantial number of the unit are at a maximum salary step starting in the first year of the new CBA.

The District informally proposed through the Mediator caps on the premium co-payments:

Year 1	9% of premium capped at \$139.00/month
Year 2	10% of premium capped at \$162.00/month

Year 3	10% of premium capped at \$170.00/month
Year 4	11% of premium capped at \$197.00/month
Year 5	12% of premium capped at \$226.00/month

Caps for half-time employees are half of full time employee caps, in addition to their payment of half of the premium.

Recommendation:

The Fact-Finder is recommending the following contribution amounts for this CBA:

Year 1	8% of premium capped at \$125.00/month
Year 2	8.5% of premium capped at \$130.00/month
Year 3	9% of premium capped at \$135.00/month
Year 4	9.5% of premium capped at \$140.00/month
Year 5	10% of premium capped at \$145.00/month

Caps for half-time employees are half of full time employee caps, in addition to their payment of half of the premium.

**Article XXVI A
Effective Date**

Association Position:

The Association has proposed a five-year contract term of July 1, 2017 through June 30, 2022. It is the position of the Association a five-year term provides labor and economic stability, and benefits both the Association and the District.

District Position:

The District proposes a CBA in effect through June 30, 2022. The District has not agreed to retroactivity based on not knowing how the negotiations will end.

Recommendation:

The recommendations contained in this report are premised on a five (5) year CBA.

**Appendix A and B
Salary Schedules**

Association Position:

The Association proposes the following increases:

- a. Year 1 = 7.05% total increase (3.72% incremental cost, 1.03% on scale, 2.30% for additional time)
- b. Year 2 = 4.50% (3.23% incremental cost, 1.27% on scale)
- c. Year 3 = 4.50% (3.04% incremental cost, 1.46% on scale)
- d. Year 4 = 4.50% (2.79% incremental cost, 1.71% on scale)

e. Year 5 = 4.25% (1.94% incremental cost, 2.31% on scale)

The average of total increases including payment for additional time is 4.96%.

The Association contends it must secure wage increases that will be sufficient to cover rising expenses and fits within the budget of the District. The Association notes the District has never argued that any proposal made by the Association is unaffordable.

The Association points out the salary schedule has a high incremental cost, over 3.7% in the first year due to a jump step of over \$15,500. The Association is committed to reducing the incremental cost over the course of the CBA, and will do so by reducing the large jump step through the CBA. The District's position increases the jump step and increases the cost of the salary schedule. The Association also states the District's proposal becomes more expensive as the CBA progresses. The District's proposal forces the District to provide greater salary increases in the future as the incremental cost increases and is unsustainable.

It is the position of the Association the second challenge that prevents the parties from reaching agreement on the salary is the District's position there must be additional time in the work day without a commensurate salary increase due to increased time. Any increase in work time must be coupled with an increase in compensation if there is not a balance from a decrease in days. The parties agreed to reduce the length of the work day in 2003, but at the same time increased the work year by slightly more than the same amount of total time. A balanced approach is needed for an agreement to be reached.

Every five (5) minutes added to the work day represents an increase of 1.15% in time. The District has failed to provide compensation for any additional time in its proposal.

The Association states in career earnings, out of the 42 education associations for which data is available, Deer Lakes ranks 22nd. This is slightly less than the median in Allegheny County. Data shows the average total increases in Allegheny County hovering around the 4% mark for the first three years, ten dropping off in years 4 and 5 as settlement data is reduced. No districts have a freeze during the anticipated duration of the next CBA, as the District has proposed.

The Association believes the average on-scale raises for the next five years that are anticipated to be included in the next contract is 1.02%. The Association contends raises above this level are needed since career earnings are below the median in Allegheny County. The Association's position is that an average of 1.56% on the scale is much closer to the norm in Allegheny County than the District's average on-scale raise of -0.14%. The Association takes the position if its on scale raise amount of 1.56% would be accepted, a return in the value of the jump step would occur, making the salary schedule less expensive in the future. The data from the Allegheny County Education Association show no districts have negative values on scale raises as the District proposed.

The Association must also consider the impact of increasing health care premium payments on salary increases. More than 70% of the bargaining unit will be on the top step, which receive the

smallest salary increase. The Association proposes total salary increases on the top step of scale as follows:

Year 1 \$1,052
Year 2 \$ 460
Year 3 \$ 593
Year 4 \$ 800
Year 5 \$1,227

The Association carefully designed a proposal that will ensure the total compensation increases, although in some cases only slightly, each year of the CBA. The District's proposal would cause bargaining unit members to have their premium payment increase by more than \$200 in year 1 up to over \$300 increase in year 5.

The Association made every effort to work with the District in providing a salary schedule that is agreeable to the members of the bargaining unit and financially responsible for the District. The Association's proposal fits within the standards of settlements that have been reached in Allegheny County, and is within the budgetary limitations of the District.

District Position:

The District proposes a salary schedule which averages a four percent (4%) increase over a five (5) year period with the 17th Step (max step) for each year to be as proposed by the Association in its proposal dated April 12, 2017. This is contingent upon the length of the work day being extended. If such agreement cannot be reached, the District believes an average increase per year of 2.75% for a five (5) year agreement is fair and reasonable based upon the current inflationary rate of 1.7% for the first six (6) months of 2017 and because of the salary increase have been approximately two and one-half times the inflationary rate.

The District contends it has been more than fair with the Association regarding salary increases over the past two CBA periods. The salary increase for the District's professional unit over the last nine (9) contract years ending on June 30, 2017 has been approximately two and one-half times the inflationary rate. The District points out by the fifth year of the CBA, 70% of the professional unit will be at the 17th step.

The District states the annual cost of its salary proposal is based upon an average increase of 4% per year including the total cumulative cost for five (5) years.

Recommendation :

This Fact-Finder recommends for the following scales, which represent an average 4.06% increase over a five year period, to be adopted:

BACHELORS

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
1	45,392	46,291	47,244	47,244	48,744	50,494
2	45,826	46,300	47,245	47,245	48,779	50,499
3	46,585	46,743	47,342	47,342	48,780	50,511
4	47,504	47,517	47,794	47,794	48,880	50,585
5	47,857	48,454	48,586	48,586	48,893	50,591
6	48,090	48,814	49,544	49,544	49,558	50,605
7	49,292	49,292	50,034	50,034	50,535	51,292
8	50,494	50,524	50,525	50,525	51,035	52,051
9	51,697	51,756	51,787	51,787	51,788	52,566
10	52,899	52,989	53,050	53,050	53,082	53,341
11	54,102	54,221	54,314	54,314	54,377	54,675
12	55,303	55,455	55,577	55,577	55,672	56,008
13	56,505	56,686	56,841	56,841	56,966	57,342
14	60,232	60,232	60,257	60,257	60,536	60,541
15	71,048	71,048	71,074	71,074	71,103	71,129
16	78,319	78,319	78,320	78,320	78,359	78,391
17	93,408	93,965	94,555	95,281	96,150	97,540

MASTERS

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
1	46,098	46,997	47,950	47,950	49,450	51,200
2	46,555	47,020	47,955	47,955	49,508	51,230
3	47,343	47,486	48,078	48,078	49,513	51,266
4	48,295	48,290	48,555	48,555	49,640	51,345
5	48,674	49,261	49,376	49,376	49,526	51,378
6	48,932	49,647	50,369	50,369	50,463	51,383
7	50,133	50,155	50,889	50,889	51,503	52,229
8	51,336	51,386	51,409	51,409	52,034	53,048
9	52,538	52,619	52,671	52,671	52,694	53,595
10	53,741	53,851	53,935	53,935	53,988	54,275
11	54,943	55,085	55,198	55,198	55,283	55,607
12	56,145	56,317	56,462	56,462	56,578	56,942
13	57,348	57,549	57,724	57,724	57,873	58,275
14	61,190	61,190	61,203	61,203	61,261	61,505
15	72,343	72,343	72,388	72,388	72,403	72,410
16	79,841	79,841	79,845	79,845	79,880	80,005
17	95,368	95,925	96,515	97,241	98,110	99,500

TENTATIVE AGREEMENTS

At the Fact-Finding hearing the parties revealed they had reached tentative agreements concerning several issues discussed during negotiations. It is recommended for the tentative agreements to be incorporated into this report as set forth herein and made part of the CBA.

CONCLUSION

In conclusion, the parties are directed to review the Fact-Finding report and within ten (10) calendar days from the date of the issuance of this report to inform the Pennsylvania Labor Relations Board and each other if they accept or reject this report.

Confidentiality of the report should be maintained during the ten-consideration period and until officially released for publication by the Board in the event of a rejection.

The Fact-Finder submits the Findings and Recommendations as set forth herein.



Michelle Miller-Kotula
Fact-Finder
Washington, Pennsylvania

Issued: September 25, 2017