

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA LABOR RELATIONS BOARD

In the Matter of Fact-Finding	(Fact-Finding Report
	(and
Between	(Recommendations
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Otto-Eldred School District	(Case No. ACT 88-15-15-W
	(
and	(Date of Hearing: April 9, 2013
	(
Otto-Eldred Education Association	(Date of Report: April 29, 2013
	(

William J. Miller, Jr.
Fact-Finder

For the District: Christian T. Mattie, Esq.
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For the Association: Terra Begolly
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Background

By letter dated March 19, 2013, 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 Otto-Eldred School District (hereafter referred to as the "District") and Otto-Eldred Education Association, PSEA/NEA (hereafter referred to as the "Association"). The Association represents a unit of approximately 50 bargaining unit teachers, who work for the District, located at Duke Center, 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 "Agreement") which was effective by its terms from the years 2008 through 2012. The parties met approximately 24 times for purposes of negotiating a successor Agreement, reached a number of tentative agreements, but 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 District.

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

Salary

Retroactivity

Health Insurance Premium Contribution

On April 9, 2013, a formal fact-finding hearing was held in accordance with the Pennsylvania Labor Relations Act before the undersigned at Duke Center, 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 on March 20, March 22, March 28, April 3, April 10 and April 24, 2013. Through these discussions, this Fact-Finder was given a thorough understanding of each party's position on the outstanding issues. The parties 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 other public and private employees doing comparable work, giving consideration to factors peculiar to the area and classifications involved.

The interest, 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 Agreement created through this process.

ISSUES IN DISPUTE AND RECOMMENDATIONS

Salary

Association Position:

The position of the Association regarding salary is as follows:

School Year	Proposed Salary
2012-2013	Step Movement \$700 off scale (Step 20)
2013-2014	Step Movement \$700 off scale (Step 20) \$150 on scale (All Steps)
2014-2015	Step Movement \$800 off scale (Step 20) \$250 on scale (all Steps)

District Position:

The District's position is that the salary proposed by the Association would be acceptable, but only if the Association would accept the District's health care proposal, which incorporates a percentage contribution by employees, without a cap on contributions. With the acceptance of the District's health care proposal, it would be willing to accept the salary proposal of the Association.

Recommendation:

I have carefully reviewed the proposals of the District and Association regarding salary. When reviewing such salary proposal of the Association, it is my considered opinion that such proposal is reasonable and would provide a fair basis for an agreement between the parties regarding salary. While I completely understand the District's concern related to the Association accepting the District's proposal regarding health care, I do believe in this specific circumstance that the salary issue be separated from the health care issue. This would provide a fair resolution for the salary issue, and would represent salary increases that are fair to both the employees and the District. Therefore, I recommend that the attached salary schedules, which have been proposed by the Association, be accepted by the District.

RETROACTIVITY

Association Position:

Regarding retroactivity, the Association proposes that full retroactivity be provided.

District Position:

It has been the District's position, during negotiations, that no retroactivity be provided. However, the District was willing to agree to retroactivity if in fact the Association agreed to the District's health care proposal. Because the Association did not agree with the District's health care proposal, the District has taken the position that it will not pay retroactivity.

Recommendation:

I clearly recognize the package bargaining approach utilized by the District during negotiations. It is also readily apparent the District moved off its consistent positions in several instances so as to effect a full resolution to the Agreement. I also understand the District's movement to the payment of retroactivity represented a significant position change by the District. However, in this specific circumstance, based upon the discussions between the parties, and the opportunity to resolve all of the open issues between the parties, it is my recommendation that retroactivity be paid in this circumstance. It is my opinion that there is still opportunity for the parties to resolve this matter without further delay, and to do so would involve retroactivity as a component of the overall settlement.

HEALTH INSURANCE PREMIUM CONTRIBUTION

Association Position:

The Association's position regarding a health insurance premium contribution is that it would be willing to go to a percentage of premium contribution for the 2013-2014 school year and the 2014-2015 school year. The Association is willing to contribute on a percentage basis of 5% per year, with a \$50 monthly cap in the 2013-2014 school year, and a \$50 monthly cap for the 2014-2015 school year.

District Position:

The District position regarding this issue is that it would be agreeable to a 5% contribution for the 2013-2014 and 2014-2015 school years, but it does not want to have a cap as is being proposed by the Association.

Recommendation:

I have carefully reviewed the positions of the parties concerning this item. In effect, the District has proposed two changes. First, going from a set amount of premium contribution, to a percentage of premium contribution. Obviously, the concern of the District is to do what it can to minimize the effect of rising health care costs. This concern is understandable and justified in the present health care environment. In order to meet the legitimate needs of the District related to this issue, I would propose that the employees be required to contribute 1.15 percent of their average salary as a health care contribution for the 2013-2014 school year. For the 2014-2015 school year, the employees should contribute 1.25 percent of their average salary as a health care contribution. In my considered opinion, this would be fair, and would constitute a reasonable solution to this issue. Furthermore, the District would have accomplished what it set out to accomplish with this issue; that is, employees contributing to their health care costs on a percentage basis, with no cap on such contribution. This would certainly help the District with its legitimate need regarding health care costs.

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-day 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.

William J. Miller, Jr.
Fact-Finder
Ligonier, Pennsylvania

Issued: April 29, 2013

2012-2013

Steps From Top	In Contract	Bachelors	Steps Masters	M+15	M+30
19	1	40,126	41,426	42,126	42,826
18	2	41,306	42,606	43,306	44,006
17	3	42,486	43,786	44,486	45,186
16	4	43,666	44,966	45,666	46,366
15	5	44,846	46,146	46,846	47,546
14	6	46,026	47,326	48,026	48,726
13	7	47,206	48,506	49,206	49,906
12	8	48,386	49,686	50,386	51,086
11	9	49,566	50,866	51,566	52,266
10	10	50,746	52,046	52,746	53,446
9	11	51,926	53,226	53,926	54,626
8	12	53,106	54,406	55,106	55,806
7	13	54,286	55,586	56,286	56,986
6	14	55,466	56,766	57,466	58,166
5	15	56,646	57,946	58,646	59,346
4	16	57,826	59,126	59,826	60,526
3	17	59,006	60,306	61,006	61,706
2	18	60,186	61,486	62,186	62,886
1	19	61,366	62,666	63,366	64,066
Top	20	62,546	63,846	64,546	65,246

2013-2014

Steps From Top	In Contract	Bachelors	Steps Masters	M+15	M+30
19	1	40,276	41,576	42,276	42,976
18	2	41,456	42,756	43,456	44,156
17	3	42,636	43,936	44,636	45,336
16	4	43,816	45,116	45,816	46,516
15	5	44,996	46,296	46,996	47,696
14	6	46,176	47,476	48,176	48,876
13	7	47,356	48,656	49,356	50,056
12	8	48,536	49,836	50,536	51,236
11	9	49,716	51,016	51,716	52,416
10	10	50,896	52,196	52,896	53,596
9	11	52,076	53,376	54,076	54,776
8	12	53,256	54,556	55,256	55,956
7	13	54,436	55,736	56,436	57,136
6	14	55,616	56,916	57,616	58,316
5	15	56,796	58,096	58,796	59,496
4	16	57,976	59,276	59,976	60,676
3	17	59,156	60,456	61,156	61,856
2	18	60,336	61,636	62,336	63,036
1	19	61,516	62,816	63,516	64,216
Top	20	62,696	63,996	64,696	65,396

2014-2015

Steps From Top	In Contract	Bachelors	Masters	M+15	M+30
19	1	40,526	41,826	42,526	43,226
18	2	41,706	43,006	43,706	44,406
17	3	42,886	44,186	44,886	45,586
16	4	44,066	45,366	46,066	46,766
15	5	45,246	46,546	47,246	47,946
14	6	46,426	47,726	48,426	49,126
13	7	47,606	48,906	49,606	50,306
12	8	48,786	50,086	50,786	51,486
11	9	49,966	51,266	51,966	52,666
10	10	51,146	52,446	53,146	53,846
9	11	52,326	53,626	54,326	55,026
8	12	53,506	54,806	55,506	56,206
7	13	54,686	55,986	56,686	57,386
6	14	55,866	57,166	57,866	58,566
5	15	57,046	58,346	59,046	59,746
4	16	58,226	59,526	60,226	60,926
3	17	59,406	60,706	61,406	62,106
2	18	60,586	61,886	62,586	63,286
1	19	61,766	63,066	63,766	64,466
Top	20	62,946	64,246	64,946	65,646