

Negotiations Update

Edgewater Board of Education

May 17, 2019

Current Negotiations

- The Edgewater Board of Education (Board) and the Edgewater Education Association (EEA) have been in negotiations since February 2019, five months before the present contract expires.
- The Board is publishing this update to address the public's request for clarification of the Board's negotiations position and in response to the recent information published by the EEA.
- **We seek a fair, balanced and competitive settlement that meets the needs of our valued teaching staff while respecting our fiduciary obligation to the District and its taxpayers.**

Current Negotiations

- The primary challenges impeding agreement are salary/stipend increases and health insurance payments/cost containment measures.
- In order to properly understand the parties' positions, it is necessary to remember the limitation on the Board's ability to raise school taxes more than 2% (excluding allowable waivers) and other financial restrictions. ([P. L. 2010, Chapter 44](#))

Negotiations History

- **February 4, 2019. Initial meeting** and introduction of participants at the negotiating table. Agreement on Ground Rules and Base Year Analysis, Calendaring of next two meetings.
- **March 6, 2019. Second meeting. Proposals exchanged**, clarifying questions asked and answered.
- **March 21, 2019. Third meeting.** Two tentative agreements. **EEA declared impasse**, forcing face-to-face negotiations to end and requesting mediation.

Negotiations History

- **April 2019.** The EEA directed all members to participate in a [job action](#) by **removing displays of student work**, etc. from school hallways.
- **April 2019.** The EEA directed all members to participate in a job action of “[working to the contract](#)” and **boycotted teacher attendance at select student events** (Student Movie Night, Sixth Grade Annual Dance)
- **May 13, 2019.** Mediation Meeting #1. The EEA **rejected the Board’s latest offer** without a counter offer, moving to the next stage of impasse (“[fact-finding](#)”)

Negotiations Facts

Myth: Edgewater teachers are working without a contract.

- **Fact:** The 2016 – 2019 contract between the Board and the EEA is current and expires on June 30, 2019.
- **Fact:** Should a settlement not be reached before then, the 2016 – 2019 **contract will remain in force** until a settlement is reached.
- **Fact:** There is **no interruption in salary** or any benefit received by employees.
- **Fact:** NJ teachers are **not allowed to strike** by law. *NJ Rev. Stat. Sec. 34:13A-1et seq.*

Negotiations Facts

Myth: The “town” or the Mayor and Council have the power to increase the school district’s budget.

- **Fact:** The Board of Education is a **separate entity** from the Mayor and Council.
- **Fact:** Despite any growth in ratables that the town might experience, the tax levy for the school district’s budget is **fixed** and can increase by **no more than 2%** every year **by law** (excluding waivers allowed by law). ([P. L. 2010, Chapter 44](#))

Negotiations Facts

EEA's Statement

- The Pre-K program is tuition-based, yet the Pre-K teachers do not benefit from the tuition collected.

Board's Response

- The Pre-K program, **including the teachers**, benefits from and are funded by the tuition. The tuition offsets the salaries of the Pre-K teachers, aides, custodial staff, facility use, classroom supplies and busing.

Negotiations Facts

Salary Increase History

Three Years Ago:

- The Board **raised the starting salary for teachers by 8.7%** in response to market conditions.
- The Board **recommended a shorter salary guide** of 16 steps to move teachers to the “top” of the salary guide (\$90,000 – \$104,000) sooner.

Today:

- The Board’s desire is for the EEA to be willing to address the inequity of the salary guide by **distributing the increases more equitably** among the teachers. (Currently, teachers on Step 15+ receive up to 7% annual raises, while newer teachers receive less than 0.5%).

Salary Information

EEA's Statement: The median salary in Edgewater ranks in NJ's 50 lowest.

- **Fact:** The median is driven by the **experience and number of teachers** at each end of the salary guide.
- **Fact:** Edgewater is the **fastest** growing school district in Bergen County.
- **Fact:** The size of Edgewater's teaching staff has **doubled** in the last 8 years due to the rapid population rise.

As number of **newer staff**  increases... the median salary  decreases.

Salary Information

- The average **10-month** salary for EEA members in 2018-2019 is **\$63,171.**
- The per capita **12-month** income for the town of Edgewater in 2017 was **\$60,494.** (2017 U.S. Census)

Salary Increase Current Negotiations Positions

EEA's Proposal

2019-2020	4.5%*
2020-2021	4.5%
2021-2022	4.5%

Board's Proposal

2019-2020	2%*
2020-2021	2%
2021-2022	2%

*Percentage increase is not “per person” but rather a percentage increase applied to the entire salary guide, and then distributed among individuals at the discretion of both parties.

Salary Increase

Current Negotiations Positions

- The Board has expressed during negotiations that it is flexible on its proposal for salary based upon modifying the base **health benefits plan**.

Health Benefits Payments History Negotiations Facts

- Prior to 2011, public employees did not make any payment toward health insurance premiums.
- Effective 6/28/2011, under P.L. 2011, c. 78 (“[Chapter 78](#)”), all public employees were required to pay **between 3% and 35% of their insurance premium** (depending on salary and coverage level). This was phased in over four years.
- **From 2011 until now**, Chapter 78 mandated the above level of health insurance premium payments by employees, and districts **were not permitted to negotiate a payment lower than Chapter 78 required.**

Health Benefits Payments

Current Negotiations Positions

EEA's Position

- **Reduce** teachers' contributions to their own health benefits from the current rate (between 12% - 35% of the premium cost) to no more than **1.5% of the teacher's annual salary**.

Board's Position

- Currently, Edgewater taxpayers cover **81%** of teachers' health benefit costs, totaling **\$1.6 million** this year.
- If the EEA's proposal were adopted, **taxpayers would shoulder 97%** of teachers' health benefit costs or **nearly \$2 million** next year.

Health Benefit Plans

Initial Negotiations Positions

EEA's Position

- Keep base plan at NJ Direct 10
 - \$10 primary care/specialist copay
 - \$25 emergency room copay

Board's Position

- Modify base plan to NJ Direct 20/30 with opportunity to “buy up”
 - \$20 primary care/\$30 specialist copay
 - \$125 emergency room copay

Health Benefit Plans

Current Negotiations Positions

As a show of **good faith**, the Board moved toward the EEA's position by proposing to:

- Modify base plan to **NJ Direct 15*** with opportunity to “buy up”, again with the goal of using the yielded savings to provide teachers with a **greater increase in salary**
 - *\$15 primary care/\$15 specialist copay, \$50 emergency room copay

Health Benefit Plans

Current Negotiations Positions

Modifying the base plan to NJ Direct 20/30 or to NJ Direct 15, as proposed by the Board, would:

- **Reduce** teachers' health benefit premium payments
- **Reduce** the district's budgetary burden allowing for **higher salary increases**

The EEA rejected the Board's offer without a counter offer.

Summary

- Negotiations can be a highly sensitive process. We as a Board have always supported our teachers, and we will continue to do so. Each of us on the Board had children go through the district, and we highly value our educators. For at least the past 20 years, we have always come to a mutually agreed upon settlement. We are confident this trend will continue, with a contract that maintains a competitive salary and benefits package for our employees while remaining fiscally accountable to the community and ensuring that we can maintain the integrity of our staffing and programs for years to come.