

**MSAD 58 Board of Directors**  
**PRESS RELEASE**  
**January 22, 2014**

The MSAD58 Board of Directors and the Mt. Abram Teachers Association started labor contract negotiations in the spring of 2012 regarding the collective bargaining agreement with the District's teaching staff. Since that time, the parties have met more than a dozen times, including four meetings with a mediator, two meetings with a fact-finding panel and two additional sessions in an effort to resolve the remaining issues. The negotiations process has been difficult for both sides. Both parties feel strongly about the issues on the bargaining table. Furthermore, these negotiations have taken place against a backdrop of years of constant uncertainty about state and federal funding, declining student enrollments, rapidly escalating insurance costs, a change in the manner that insurance premiums are assessed to school systems, decreasing state education subsidies, rising property valuations, discussions about school closures and the withdrawal of Eustis from the District.

From the start of the negotiations process, the Board's goals were (1) to clarify sections of the contract that have posed issues already or which it believes are likely to pose problems in the near future; (2) to negotiate a compensation and benefits package that is both fair to teachers and affordable for the taxpayers of the towns of MSAD 58; (3) to maintain high quality educational opportunities for students within the fiscal constraints of the current economy; (4) to ensure that the language in the contract is consistent with the District's mission of providing an excellent education to students (i.e., that the contract is working for kids). The Board has been guided by these goals throughout the negotiations process.

The fact-finding panel's report made several recommendations - some in favor of each party. Although the Board could accept a number of recommendations of the fact-finding panel, it could not accept those recommendations, which conflicted with the Board's identified goals. As a result, there remain several unresolved issues, including: Staff reduction in force (RIF), the sick bank benefit, salaries and health insurance.

The salary and insurance discussions have been the most difficult for the parties. The Board feels the economic challenges currently faced by the District and the District's taxpayers makes it necessary for the Board to offer a modest 4.5% salary increase over the next contract term. Although the teachers have asked that there be no changes to their insurance benefits, the Board believes that it is necessary to

ask the teachers to assume a greater share of their health insurance costs. There are several reasons supporting the Board's position: First, schools are suffering from the trend of shrinking Federal, State, and local real estate tax resources and revenues for education. Second, insurance premiums have risen dramatically in recent years. For example, in 2006-2007, the Board's share of the cost of a family plan was \$15,392; this year, that cost is \$20,240. Third, the Board has no control over the premiums that are assessed by the MEA Benefits Trust. This new premium assignment system makes it tremendously difficult for schools to anticipate, and budget for, its insurance costs from year to year. Finally, the Board's request that teachers shoulder some additional responsibility for their insurance benefit is not a new concept as this is happening in workplaces all over Maine.

In regard to the Reduction in Force article, the Board feels strongly that the selection of the teacher(s) to be laid off should not be based solely on staff seniority or the *capacity* for a teacher to teach a particular subject. We believe that the process should take into account not only the teachers' capacity to teach, but their *proficiency* in doing so. This change would work for kids as it would enable the Board to retain the best teachers if or when it is faced with the difficult decision of having to lay off staff.

The Board feels the current sick bank language is vague, that it does not adequately protect the privacy of an employee who applies for this benefit, and that it places the determination of eligibility in the hands of those who are not the most qualified to make such a decision. For these reasons, the Board has proposed to retain the benefit offered to teachers, but to alter the process for determining who is eligible.

The union has questioned the need for the Board to be represented by counsel during these labor negotiations. The Board's position is that over the life of the expired contract 2009-2012, the District paid out \$14 million in salary and benefits to the District's teachers. The Board believes that any business or public entity would seek professional assistance when negotiating a contract with such large financial considerations - especially considering the complex backdrop to these negotiations. The teachers have been represented at the table by one of the more experienced labor negotiators from the largest labor union in the state of Maine. It is also worth noting that the cost of counsel is approximately one half of one percent of the total figure paid out to teachers in wages and benefits from 2009-2012 and is less than the teachers paid in dues to their union over that same period of time.

The Board understands the need of the union to negotiate in the best interest of its membership. However, the Board's responsibilities are broader, as it seeks to find a balance that provides a quality education for its students, to support the District staff to implement a quality education, and to be responsible stewards of the taxpayers' money.

Although these are difficult times in the economy, the Board is proud of its students and we are fortunate to have a dedicated faculty that continues to maintain its focus on improved student performance. The Board is sincere in seeking a satisfactory resolution for all concerned parties.