



No Settlement in Fact-Finding Meeting

The CUSD and CUEA bargaining teams did not come to a settlement, despite working 19 hours in “fact finding” on Monday, January 25. The neutral member on the panel now has 30 days to write a report outlining a recommended settlement.

Although we are only bargaining for the 2009/10 school year, the ramifications of budget cuts in 2010/11 factor in the three-year projections required by law for all school districts. Presentations to the fact finder by both the district and CUEA included the potential fall-out of a 2010/11 budget deficit. Thus, whatever is recommended in the fact finding report, the potential 2010/11 budget deficit will play a significant role.

How big is the budget deficit?

Although the district admitted that it has a balanced budget for 2009/10 school year, it argued that the real fiscal challenge is 2010/11. For the past year, beginning last spring, the district has been stating that the budget deficit for 2010/11 will be \$25 million. This number was then downgraded to \$21.5 due to unexpected savings and revenue. That number, however, “magically” skyrocketed to \$34 million the weekend prior to fact finding!

According to the district, this was due to the governor’s projected decrease in school funding in the state budget for the fiscal year beginning July 1, 2010. However, the governor specifically stated that this decrease should be taken out of district administrative costs. As CUSD is currently in a search for a new Executive Director of Facilities, they are clearly ignoring the governor’s advice and shifting that cost to employees instead.

Not only is CUSD planning to increase administrative costs, and has continued to do so by hiring more and more consultants, it refuses to review its own budget for more cost savings. In the CUEA presentation to the fact finding panel, we pointed out several areas where CUSD still had money in accounts that could be transferred to the general fund so as to further offset the budget deficit. Our suggestions were ignored.

CUSD’s proposal more than a 10% pay cut

Having increased the budget deficit number, CUSD asserted at fact finding that CUEA’s share of the budget gap came to \$22 million. That is \$2 million over what a 10% salary pay cut would yield! (1% pay cut on the salary schedule is a little less than \$2 million.) The district actually increased its original proposal to exceed its original 10% pay cut!



CUEA-Temporary Pay Concessions for Temporary Economic Crisis

Realizing the need for employees to be part of the solution to the economic problem, but at the same time, *not permanently reducing pay compensation*, your CUEA bargaining team has operated under two fundamental principals. First, pay concessions must be temporary (i.e. furlough days) and secondly, modifications to the employee contributions to health benefits be reasonable so as to maintain the ability of the employee to chose the benefit plan which fits his/her needs. Furthermore, we want include the potential-cost savings with the Blue Cross HMO Select "Plan C" now that Monarch doctors are back into this program.

CUSD-Permanent Pay Cuts, Forever

It is clear to CUEA that the district is using the current economic challenge to permanently reduce total compensation to employees *which will last long after this fiscal crisis has passed*. They want a permanent reduction to the salary schedule, and premium caps which would increase employee contributions year-after-year, thus pricing out Anthem Blue Cross POS for many employees. *Inexplicably, they are not interested in Blue Cross HMO Select "Plan C" despite the fact that it has the potential for millions of dollars of on-going cost savings*.

Discussion of Proposals

Discussion regarding CUEA proposals which included furlough days, Blue Cross HMO Select "Plan C" in conjunction with moderate increases to employee monthly premiums, were "dead on arrival." The district refused to move off of premium caps and a permanent reduction of the salary schedule. Thus by 4:45 Tuesday morning, we had no place to go, and the fact finder called discussions to a halt.

What is it really about?

This current bargaining session is clearly not about how we can work together to weather the economic challenges facing us next year; it is about how this school board and Interim Superintendent Bobbi Mahler can permanently transform this district so that teachers are paid less now, and in the future.