

Saddle River School District
Board of Education
97 East Allendale Road, Saddle River, NJ 07458

May 31, 2019,

RE: Negotiations Update

Dear Saddle River Parents/Residents,

The Saddle River Board of Education (“Board”) and the Saddle River Education Association (“SREA”) have been unable to agree on the terms of a new contract. Nevertheless, the staff continues to receive salaries and all benefits under the terms of the expired contract and will continue to do so until a new agreement is in place. The Board has repeatedly stated that it is committed to reaching an agreement that recognizes the value of our staff while being fiscally responsible to the Saddle River taxpayer.

Negotiations began in February 2018. It quickly became evident that the SREA was unwilling to negotiate any contract terms unless the Board agreed to a permanent reduction to staff contributions to health insurance premiums regardless of future premium rates increases and the potentially devastating financial impact on the District’s operating budget. After several meetings, the SREA unilaterally declared impasse. A State mediator was appointed, and after two meetings with no progress, the mediator moved the process to the next stage of collective bargaining, known as “fact-finding.”

At the formal fact-finding hearing on February 13, 2019, the Board’s and SREA’s representatives presented their respective positions and evidence to the fact-finder over several hours. The parties subsequently delivered written briefs to the fact-finder. The fact-finder issued his independent recommendations for settlement on May 13, 2019, which can be found on the District’s website. Before the final report was issued, the Board pledged publicly that it would honor the fact-finder’s recommendations, which are not legally binding, in order to bring negotiations to a close.

Prior to the fact-finding hearing, the Board’s last proposal offered the SREA a 3% salary increase for each of the 3 years of the contract with retroactive salary guide advancement as well as no increase to the teacher’s share of contributing to their health care benefits. In demonstrating flexibility, the Board also presented an alternative option, where the SREA would receive a lesser salary increase, plus new fixed stipends to offset the health care costs of the highest paid staff because this was a major concern of the SREA members. Similar proposals have been agreed to in other school districts in our area. Unfortunately, these proposals were rejected by the SREA’s negotiations team.

As the fact-finder recognized, the District simply cannot afford to put permanent caps on the amount that staff members contribute toward health care while maintaining current programs and current staffing levels. The Board currently pays 75% of the health care premium bill. A family plan costs in excess of \$37,000 per year and is projected to increase by 10% in the coming year. The Board shares the concerns that staff members have about rising health care costs, as these rising costs are a burden for us all, but allowing a limitless increase to these costs by increasing the percentage of future premiums to be borne by the District is not responsible and could lead to cuts in staff and/or programs. In the fact-finder’s report, as it relates to granting a cap to staff on health care contributions, the fact-finder states **“I cannot recommend that the board accept the association’s proposal due to the added costs to the district and to the public.”**

At the April 24 board meeting, the Board offered to agree to make the fact-finder’s recommendations binding prior to the report’s issuance. The SREA negotiations team rejected this offer and refused to agree to make the fact-finder’s recommendations binding before receipt of the report. This report, now official and public, offers two (2) options for settlement and the Board has publicly accepted either settlement recommendation. Each of these options would result in a contract for Saddle River teachers that is on par with their peers, while allowing the Board to be a prudent steward of Saddle River taxpayer money.

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The Board was recently advised by the SREA's representative that the SREA rejected both settlement options presented in the fact-finding report (*See attached letter*). As a result, the Public Employment Relations Commission will appoint an independent super-conciliator, which is the next step in this lengthy, costly, non-binding collective bargaining process in New Jersey. The Board is extremely disappointed that the SREA has rejected both of the fact-finder's two (2) alternative settlement recommendations. Super-conciliation is going to result in additional costs and time and will culminate in another non-binding recommendation from a different state-appointed person reviewing the same evidence that has already been reviewed and thoroughly considered by the independent fact-finder. The Board remains committed to settling this contract and urges the SREA to reconsider its rejection of the fact-finder's settlement recommendations so that we can redirect all of our focus to the education of our children.

Sincerely,

The Saddle River Board of Education