

**COMMONWEALTH OF PENNSYLVANIA PENNSYLVANIA
LABOR RELATIONS BOARD**

In the Matter of Impasse Between	:	
	:	
Donegal Education Association, PSEA/NEA:	:	Act 88-26-7-E
	:	
and	:	
	:	
Donegal School District	:	

FACT-FINDING REPORT AND RECOMMENDATIONS

Appearances

For: Donegal Education Association, PSEA/NEA

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For: Donegal School District

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BACKGROUND

On July 21, 2026, the undersigned was appointed as Fact-Finder by the Pennsylvania Labor Relations Board (Board) pursuant to Act 88 of the Public Employee Relations Act, Act 88 of 1992 (Act). The issue of fact-finding pertains to a Collective Bargaining Agreement between Donegal School District (District or Board) and the Donegal Education Association, PSEA/NEA, (Association) with an ending duration date of June 30, 2026.

Upon appointment the undersigned contacted the Parties via email to initiate the fact-finding process. In accordance with the Act, each party filed its written statement of the issues in dispute within the requisite five (5) days. The matter concerns an impasse between the Association and District relating to the professional employees that are defined collectively as the Unit.

The Parties have participated in the collective bargaining process, consisting of twelve formal bargaining sessions beginning in November 2025 through May 2026. The Parties have signed tentative agreements for “Preamble”, “Recognition Clause”, “Term of Agreement” and “Official Communications Between the Parties”. However, major economic issues which include wages and healthcare, as well as several issues related to management of District policies, business, and performance of bargaining unit work remain unresolved leaving approximately one hundred (100) +/- issues remaining at impasse.

An evidentiary hearing was held on August 17, 2026, in Marietta, PA at which time the Parties had full opportunity to present evidence, examine, and cross-examine witnesses in support of their respective positions. Each party submitted numerous exhibits as part of their evidentiary presentation. The Parties also provided testimony as to the underlying rationale for their proposals, as well as their rejection of the opposing proposals. In total over 500 pages of information was presented and entered into the record.

OVERVIEW

Donegal School District is in Lancaster County, Pennsylvania, with a population of approximately 3,000 students K-12. It maintains four school buildings and one administrative building. The percentage of students in special education and receiving free or reduced lunches are respectively 20% and 41.8%. The District allocates 61.36% of its budget to salary and benefits. Per the information contained in the Association's presentation, the District has an annual operating income budget for the upcoming 2026-27 school year of \$64.6 million dollars, which is funded by a combination of real estate tax and state aid. The District has budgeted expenses of \$66.9 million dollars, resulting in a budgeted deficit of \$2.3 million dollars. However, actual audited historical expenditures over an eight-year period show that the District expends less than it budgets resulting in an annual average surplus of \$1.5 million dollars. As of the most recent (2024) audited financial statement, the District has a positive fund balance verses expenses of thirty-one percent (31%).

The Donegal Education Association PSEA/NEA, is the duly appointed bargaining representative for the above referenced District employees, which are the professionally accredited teachers.

The District acknowledges its sound financial position. However, the District points to its real estate tax base size as the limiting revenue factor to support its sound financial position when preparing its annual budget. In terms of receiving state aid, the District is the fourth poorest in Lancaster County. While this does provide more state aid, it also points to the limitations that the District can reasonably render in the form of real estate tax increases from its residents. The District aims to offer salary and benefit increases consistent with its annual revenue. The District's proposals seek to control costs through reasonable salary increases and increased cost-sharing of healthcare expenses.

The Association asserts that the recent economic climate of high inflation and increase living expenses of its membership requires a commensurate increase in wages. The Association also believes that based on its recent capital expenditures, such as on new athletic fields and buildings, the District has sufficient funds to pay for salary increases for its core function of educating students. Conversely, it understands the increased burden of healthcare costs on the District and is amenable to a smaller increase in cost-sharing provided that the employees receive a fair wage increase. It also has a concern that many of the operational decisions and proposals of the District may negatively impact the size and viability of the bargaining unit. The Association points to the subject matter of numerous grievances and labor disputes during the prior collective bargaining agreement as the rightful basis for these concerns. In this regard, the Association seeks to have more input to operational decisions concerning scheduling, callouts, performance of bargaining unit work by non-bargaining unit employees and subcontracting.

The recommendations that follow are based upon the evidence presented and the insight gained from the testimony, which include:¹

¹ Both parties submitted proposals on the same contractual provisions, but numbered them differently in their evidentiary presentations. All recommendations are listed under the Article in the expired CBA for coordination of reference.

- Expired Collective Bargaining Agreement
- The testimony and exhibits presented at the hearing, including tentative agreements as they relate to open issues and the respective written responses to each party's submission of issues in dispute.
- Comparison of the competing proposals
- The fiscal condition of the District and ability to undertake recommendations impacting its limited finances.
- Information presented for comparable school districts and employee compensation and benefits contained therein.
- Each individual issue based on its individual merit and how it fits into the framework of the current collective bargaining agreement. However, economic issues may be considered by their collective impact in order to provide fiscally sound recommendations.
- A fair and equitable agreement for the professional employees serving and educating the students K through high school.

The Recommendations that follow constitute the settlement proposals upon which the parties are now required to act as directed by PLRB regulation and statute. A vote to accept the report does not constitute agreement with, nor endorsement of the rationale contained therein. Rather, it represents only an agreement to resolve the issues by adopting the Recommendations. The parties are directed to review the report and within ten (10) days, notify the PLRB of their decision to "accept" or "reject" the Recommendations. The report will be released to the public if not accepted by one or both of the parties. A failure to respond equates to a "reject" vote.

OPEN ISSUES

Association

4. Article III – Provision for School Work Year/Workday
 - d) Planning Time / Prep Periods
 - i) Purpose
 - ii) Minimum Duration
 - iii) Meeting Restrictions
 - iv) Leaving the Building
 - v) Donegal High School Scheduling
 - vi) Donegal Junior High School Scheduling
 - vii) Donegal Intermediate School Scheduling
 - viii) Donegal Primary School Scheduling
 - e) Compensation for Loss of Planning Time / Prep Period
 - i) Compensation
 - ii) Process to assign coverage
 - iii) Communication procedure
 - iv) Splitting classroom due to lack of substitute
 - v) Elementary coverage during instructional periods for specialists
 - vi) Option to cover half of a class period
 - vii) Records related to coverage or splitting classroom
7. Article IV, Section D – Horizontal Movement on the Schedule
8. Article IV, New Section – Longevity Stipend
9. Article IV, Section E.3 – Non-Instructional Duties
10. Article IV, Section F – Induction
11. Article V, Section A – Sick Leave
12. Article V, New Section – Family and Medical Leave Act
14. Article V, Section C – Leave on Act 80 or Professional Development Days
16. Article V, Section E – Bereavement Leave Days
17. Article V, Section G – Tuition Reimbursement Entitlement
 - a) Intent
 - b) Dollar Amount Maximums (Reimbursement window)
 - c) Reimbursement Equivalency (Part-time application)
 - d) Long-Term Substitutes
 - e) Available Tuition Reimbursement Rate
 - f) Comparison to Millersville University Rate
 - g) Voluntary Elections (Courses in excess of reimbursement limits)
 - h) Tracking Courses Per Fiscal Year
 - i) Available Fees and Materials Reimbursement Rate
 - j) Criteria for Approved Course Eligibility
 - k) Criteria for Approved Course Providers
 - l) Third Party Provider Restrictions and Allowances
 - m) Millersville University Summer Institutes
 - n) University of La Verne Professional Development Courses
 - p) Pre-Approval Process and Procedure

- q) Completed Course Reimbursement Process and Procedure – Member Responsibility
- r) Completed Course Reimbursement Process and Procedure – District Responsibility
- s) Member Leave and/or Resignation and Tuition Reimbursement
- u) Workshop and Conference Reimbursement
- 18. Healthcare Insurance
 - a) Article V, Section 1 – Health Care Insurance
 - b) Article V, Section I.1.G(a) – Coverage Cost to Unit Members
 - i) Premium Share
 - ii) Annual Verification
 - c) Article V, Section I.1.G(b) – Spousal Coverage
 - d) Article V, Section I.1.G(new subsection) – Member Opt-Out Stipend
 - e) Article V, Section I.1.G(new subsection) – Surviving Spouse Hospitalization
 - f) Article V, Section I.1.G(new subsection) – Enrollment
 - g) Article V, Section I.1.G(c) – Wellness
 - h) Article V, Section I.1.G(d) – COBRA Coverage for Retirees
 - i) Article V, Section I.1.G(new subsection) – Near-Site Health Center
- 19. Article V, Section I.3 – Dental Insurance
- 20. Article V, Section I.4 – Vision Insurance
- 23. Article V, Section K – Early Retirement/Longevity Payments
 - a) Retirement Notice Deadlines
 - b) Effective Date
 - c) Eligibility Qualifications
 - d) PSERS Application & Usage Requirements
 - e) Payment
 - f) Early Retirement Incentive Notification Date
- 26. Article VI – Provisions for Regular Part-Time Unit Members
- 28. Article VIII – Posting of Vacancies
 - a) Definition
 - b) Posting Vacancy Notices
 - c) Transfer Requests
 - d) Selection Process
 - e) Involuntary Transfers
 - f) Interviews and Explanations
 - g) Notification of the Nature of the Vacancy
 - h) Exclusions
 - i) Local Staffing Agencies
 - j) Resignation notice
- 29. Article IX – Association Privileges
 - c) Conduct of Association Business
 - d) Access to Information
 - i) President’s Exemption from Duties
 - j) Induction
 - k) Opening Day Welcome
 - l) Board Recognition of President

- m) CBA Supremacy to Board Policy
- 30. Article X – Dues Deduction
- 32. Article XV – Personnel Files
- 34. Donegal Virtual Academy
 - b) Background Information
 - c) Full-Time, Part-Time, “Blended,” and Alternative Education DVA Students
 - d) Full Schoology DVA Sections
 - e) Not Full Schoology DVA Sections
 - f) Maximum DVA Class Size
 - g) DVA Teacher Responsibilities
 - h) Compensation for Facilitating Not Full Schoology DVA Sections
 - i) Compensation for Developing DVA Courses
 - j) Compensation Based on Highest Student Enrollment
 - k) No Furlough, Non-Renewal, Demotion or Replacement
 - l) Reservation of Rights
 - m) In-Person Meetings
 - n) Observation and Evaluation
 - o) Prohibited Student Transfers
 - p) Provided Training
 - q) Simultaneous Instruction Prohibited
 - r) DVA & Summer School
 - s) Future DVA Changes
- 35. Appendix A – Salary
 - a) B+30 Column
 - b) Number of Steps
 - c) Overall Salary Increases
- 36. Appendix B – Schedule of Benefits
- 37. New Appendix – Program Approval Petition Form
- 38. New Appendix – Course Approval Petition Form
- 39. New Appendix – Payroll Deduction Form

District

- 2. Article IV.C. – Horizontal Movement on Schedule
- 3. Article IV.D. Longevity Increment {New}
- 4. Article IV.E. Donegal Virtual Academy {New}
- 5. Article IV.F. Induction
- 6. Article V.B – Family Medical Leave Act
- 7. Article V.C. Leave without Pay on Act 89 or Professional Days
- 8. Article V.E. Bereavement Leave
- 9. Article V.G.1. Tuition Reimbursement Entitlement
- 10. Article V.H.1. Health Insurance
- 11. Article V.H.4. Vision Insurance
- 12. Article V.J. Early Retirement / Longevity Payments
- 13. Article V.K Balance of Contract Pay
- 14. Article VII Resignation Notice {New}

15. Article X Dues Deduction
16. Appendix A Salary Guideline
17. Salary Schedules

DICUSSION AND RECOMMENDATIONS

Article II – Term of Agreement

The Parties have indicated that they are both in agreement with a 4-year term.

Article III Provisions of Work Year / Work Day – subparagraphs “d” and “e”.

Association : Proposes to add the current practice of “planning time” to the CBA, with modifications to the length of planning time allotted and to also restrict the assignment of personnel during planning time and/or compensate personnel that are assigned elsewhere during planning periods. The planning time should equal one full period of class time in accordance with the respective grade level. Planning time is included in all other CBA’s in Lancaster Couty.

District : Believes that the current “status quo” suffices, but if planning time is added to the CBA it should be uniform throughout at the level provided for elementary teachers.

Recommendation and Rationale:

Adopt the Association proposal covering subparagraph “d”. As it appears that the current administration and allocation of planning time is a long-standing past practice, adding the practice to the CBA is a reasonable proposal. The Association proposal differs from the current practice by two (2) minutes for primary and intermediate school (40 min. – 42 min.) and no change for junior high and high school.

Do not adopt the Association proposal covering subparagraph “e”. The direction of personnel is within management’s right. There are insufficient facts in the record to determine the cost of compensating loss of planning time to recommend adoption.

Article IV Wage and Salary Provisions – subsection C. Horizontal Movement

District : Proposes that course completion for Master’s degree be completed by July 1 and course transcript provided by July 15, which is a change from the current language of submitting transcripts by September 30. The District seeks budgetary efficiency and planning.

Association : Proposes language to remain status quo. It believes there is no problem with the current processing and horizontal movement. Since most of the employees work on Master’s degree during the summer they would not be able to qualify by July 15 and then would wait an entire school year before receiving the horizontal increases.

Recommendation and Rationale:

Do not adopt the District Proposal. The Association presents a sound counter argument to the District's position. While this proposal would assist on the budgetary planning side it would also delay horizontal raises, while benefiting from the educational achievement of the employee. Also, the CBA requires an online intent request before taking courses. Therefore, the District has knowledge of the member and date the course is offered to plan the budget.

Article IV. {New} Subsection D. Longevity

District : Proposes a longevity schedule starting in year 16 at \$200 through year 26+ at \$1,200, to reward continued service and incentivize retention. This proposal is part of the District's overall salary proposal, which realigns salary schedules and increases.

Association : While the Association is appreciative of the District's efforts, it is against the proposal because the longevity is not included in the pension calculation.

Recommendation and Rationale:

Adopt the proposal beginning in year three of the contract. Longevity of this nature is akin to a fringe benefit, which are normally excluded from pension calculations. The cost of the longevity is approximately eleven percent (11%) additional compensation to the salary increase proposed by the District. (Note: this recommendation is collectively part of the total compensation)

Article IV – Section F. Induction

District : Proposes requiring newly hired veteran teachers to attend five (5) days of induction training to be paid at the non-instructional rate. The purpose of the additional induction is to ensure new teachers are familiar with the methods and means of instruction in the District, which may be different from their prior district.

Association : Opposes this proposal because new teachers are not paid for induction and this will create two classes of teachers from a compensation perspective.

Recommendation and Rationale:

Adopt this proposal. These are veteran teachers, which have already completed the state mandated induction requirement. The District seeks to develop a homogenous instruction methodology which will ensure that students moving throughout the curriculum are instructed similarly. While the Association's concern is valid, having all teachers follow a uniform approach outweighs this concern.

Article IV. Subsection E.3. Non-Instructional Duties

Association: Seeks an increase in compensation from \$32/hr. to \$42/hr. and \$1.00 each year thereafter. The current \$32/hr was set in the 2018 school year. Inflationary increases have reduced the spending power and an increase is warranted.

District : Opposes this proposal.

Recommendation and Rationale:

Adopt the proposal. There was testimony by the District that the occurrence of these duties is a “hit or miss” and do not happen on a consistent enough basis to warrant concern. The District also controls when and how much of these duties occur. The increase proposed by the Association results in a de minimis cost to the District.

Article V, Section A Sick Leave.

Association : Proposes clarification to current language that ensures understanding that “family sick days” fall within the allotment of personal sick days.

District : Is generally in agreement provided a comprehensive agreement to the CBA is attained.

Recommendation and Rationale:

Adopt the proposal. It will assist in avoiding misunderstandings and grievances.

Article V, Subsection {NEW}

District : Proposes to add language to provide the FMLA Leave runs concurrently with other approved medical leave and upon return from FMLA Leave for personal illness the employee provide medical certification to return to work.

Association : The Association is generally in agreement with the substantive provisions of the District’s proposal, but proposes that the entire FMLA Policy be part of the CBA because members have received incorrect and untimely information from Human Resources.

Recommendation and Rationale:

Adopt the District proposal and *adopt* the Association proposal *in part*. The District asserts an optional position allowable by law under the FMLA of concurrent leave and requirement of medical certification. However, rather than include this language in the body of the CBA, reference to the written FMLA Policy and where a full copy can be obtained can be stated in the CBA.

Article V, Section G Tuition Reimbursement

District : Proposes a reduction in the number of credits that are reimbursable from 12 to 9 for without a master’s degree and 9 to 6 for those with master’s degree. The rationale is that the District pays twice because the teacher is reimbursed and then receives a horizontal movement increase. Other Lancaster County districts similarly cap credits.

Association : Opposes any cap reduction and provides for its own proposals to clarify how certain employees are eligible and the corresponding reimbursement amount. For example, the Association proposes clarification on part-time verses full-time, ties reimbursement to Millersville University tuition rates. The Association also proposes modification / clarification to the type of courses that qualify for reimbursement.

Recommendation and Rationale:

Do not adopt the District proposal. While the District's rationale is reasonable, there is no information on the prospective cost savings to understand the true cost of the proposal. As an alternative, a maximum flat dollar amount cap per school year could satisfy the cost concerns whereby the number of credits is irrelevant. This is similar to tying reimbursement maximum to the Millersville rate proposed by the Association, but in the aggregate.

Adopt Association proposals ***in part***. Adopt the proposals related to the rewrite of the tuition reimbursement criteria, except for the University of La Verne Professional Development unless approved by the Superintendent. There was an opposition to La Verne by the District based on course quality over which the District should have authority to determine. Conversely, ***do not adopt*** the increase in course related fees and materials until the parties can verify the cost shifting – tuition to fees – by Millersville.

Article V. Section H, subsection 1. Health Insurance

District : Proposes several modifications to the current healthcare benefit. An increase to the employee cost sharing by an increase of 1.25% each year of the CBA. The right to offer a voluntary optional healthcare plan along with the current PPO plan with Association input, but not mandatory bargaining. The right to terminate the Wellness Program should it become unavailable or no longer financially justifiable. Discontinue spousal COBRA coverage in accordance with law when the employee becomes Medicare eligible. Proposes a voluntary employee pay vision enhancement.

Association : Proposes an increase to the employee cost share of 0.25% each year of the CBA since it believes the current healthcare plan costs are under control. The Association objects to all the other proposals. The Association proposes adding another tier to the Wellness incentive. Proposes a member opt-out stipend of \$2,000. Proposes increases to dental benefit.

Recommendation and Rationale:

Adopt a compromised cost sharing increase of 0.5% (1/2 percent) per contract year. Review of the comparators provided by the Association, which include a summary of the statement of benefits for each comparator, shows that the districts with the higher employee contributions generally have no co-insurance component. The District does have employee coinsurance of between 10%-20% and maximums of \$950-\$2000 per year. This recommendation is based on the limited information provided. Healthcare plan designs vary widely, and true apples-to-apples analysis cannot be developed without more detailed information. However, healthcare costs have a general upward trend and remain as a major unpredictable budgetary concern.

Adopt the District's optional plan offering. While I recommend this proposal, healthcare benefits are a mandatory subject of bargaining and Association's objection on this ground is reasonable. For the Association to waive its right to fully bargain it must be given meaningful input for a successful migration to occur. I would recommend that the parties form a joint healthcare committee to study optional plans for voluntary participation as optional plans may benefit both the District, Association, and the individual employees that elect to participate without harming employees choosing to stay with the current PPO.

Adopt the District's COBRA modifications / clarifications.

Adopt the Association's Wellness incentive increase. The Association's proposal is a prorated flat dollar incentive. The more wellness options that an employee participates in the more of a flat dollar discount the employee receives to offset cost sharing. This would theoretically offer the District greater savings over the life of the contract since the dollar amount does not increase whereas the current 3% discount would result in a higher dollar discount as healthcare cost and cost sharing percentage increases.

Do not adopt Association's Opt-Out stipend, dental benefit modification and vision benefit modification. These proposals do not have associated cost analysis to properly assess the reasonableness of the proposal.

Adopt the District's vision enhancement proposal. A zero-cost item to the District and potential benefit to the employee.

Article V. Section J. Early Retirement and Longevity Payments

Association: Proposes to increase the payment for years of service from \$300 to \$600 for each year. Increase for unused personal days to equal the substitute teacher rate for each unused day. Increase from \$70 to \$100 for each unused accumulated sick day. A new \$1,000 bonus for teachers submitting retirement notice by January 1; before the required by March 1st notice.

District : Proposes to maintain the status quo with no changes.

Recommendation and Rationale:

Adopt the Association proposal for personal days. **Do not adopt** the increases for service years, sick days or the early notification bonus. The structure of current contract language indicates a prior agreement to reduce the amount of these payments over the course of the contract. The District proposes to maintain the current amounts with no further reduction.

The comparisons to other school district contracts cited by the Association, while having higher per day amounts for unused sick and personal days, do not have a longevity component. Although the Association proposes a \$35,000 aggregate cap for all payments, there is no information in the record regarding the projected cost of this increase. However, personal days are comparable to vacation days. Each unused personal day avoids the use of a substitute

teacher. Therefore, paying personal days out at the substitute rate would appear to be a zero-sum cost. It must also be noted that paid sick days are a benefit for times of illness out of the control of the employee and should not be used as another form of personal days. There is also insufficient evidence that there is an existing problem with the March 1st retirement notice deadline that will be solved with the \$1,000 bonus.

Note: Any amounts that exceed annual 403(b) limits should be paid as future post-employment contributions, which is mutually beneficial to both parties.

Article V, Section K Balance of Contract Pay

District: Proposes to pay the balance of the employee's salary at the end of the instructional year. This is currently being offered on a voluntary basis, and the District will gain administrative efficiencies by implementing it to the entire workforce.

Association: Maintain status quo. Some employees prefer the bi-weekly salary payment throughout the year and should not be forced to take a lump sum.

Recommendation and Rationale:

Do not adopt the District proposal. Currently there is a 50/50 split between those who receive the balance and those who do not. However, the parties should agree to promote the financial advantages of receiving money before it is due and encourage voluntary participation as it does provide efficiencies for the District.

Article VIII Posting Vacancies

Association : Proposes a comprehensive rewrite of the current language.

District : Maintain status quo.

Recommendation and Rationale:

Do not adopt the Association proposal. The current contract does not contain a defined posting procedure. Although Association presents reasonable rationale for many of its proposed revisions, there is not enough information in the record to understand how the proposed terms differ from the current practice and how it would impact the District.

The parties should agree to continue to bargain this issue during the ensuing contract period and can add a side letter to the contract, which can be added to a subsequent contract.

Article IX – Conducting Association Business

Association : Memorialize current practice by writing it into the CBA.

District : Believes current language is sufficient

Recommendation and Rationale:

Adopt Association proposal. The Association’s proposal adds language that covers Association representatives conducting Association business when required by the District such as contract negotiations, grievances, meetings, etc. with no loss of pay. If this is the current practice, there is no harm in memorializing it.

Article XV – Personnel Files

Association : Proposes pronoun change from “his/her” to “their”.

District : No objection

Recommendation and Rationale:

Adopt proposal

Appendix A – Salaries

Association : Proposes annual increases of 4.9% for each year of the contract. The Association asserts that past increases were below the average of the Lancaster County school districts. It points to the District’s sound financial position, ability to afford substantial increases for administrative professionals and extensive capital improvements.

District : Proposes annual increases of 3.8% for each of the first 3 years and 3.5% for the final year. The District emphasizes the position of its real estate tax base, which is the only source of revenue outside of state government funding. According to the state aid ratio, the District ranks as the fourth poorest in the County and correspondingly receives the fourth highest amount of state aid.

Recommendation and Rationale:

The Association’s proposed 4.9% salary increase would cost the District \$856,516 in year one of the contract. Conversely, the District’s proposed 3.8% salary increase would cost the District \$663,916. Over the life of the 4-year contract the respective totals are \$3,583,738 and \$2,752,348.²

The Association presents a rational argument for a salary increase based on comparators. The District does lag behind in average percentage increases and starting salary. Attracting and

² The amounts do not include the 16.8% employer pension contribution.

retaining teachers is a laudable goal. But, past discrepancies that have manifested over many years cannot be remedied in over four years in a single contract period. While the District is currently on a sound financial base, state funding is unpredictable. Therefore, the District's only guaranteed source of funding is through real estate tax increases. The taxpayers are important stakeholders, and care must be taken to not overburden the tax base.

Notwithstanding, the District has an historical average surplus of \$1.5 million when comparing budgeted revenue/expense over actual revenue/expense. This coupled with its positive 31% fund balance over expenditures appears to allow for the following proposed compromise recommendation. This recommendation is intended to provide greater increases in the early years to partial compensate for the below average years, with lesser increases in the later years to temper the cost to the taxpayers. Under the circumstances, the undersigned believes this to be a fair compromise to the parties' impasse.

The recommended percentages for the overall salary increase over the life of the contract are designed as a compromise between the competing proposals including the implementation of longevity. This results in a 4-year aggregate salary cost of \$3,168,043.

Year 1:	4.2%
Year 2:	4.0%
Year 3:	3.8%
Year 4:	3.6%

In addition, the salary step schedule be compressed by removing one step in year 1 and one step in year 2, for a total two step reduction in the salary schedule, which is reflected in both proposals.

It must also be noted that it is the practice of the parties to each allocate the aggregate amount of the increase across the salary schedule as each party believes is warranted. I have received each party's salary schedule and recommend the schedule provided by the Association, which is attached hereto as Appendix A, on the rationale as follows.

A review of the respective salary schedules indicates the following: The District uniformly distributes the dollar increase across the steps. The Association distributes greater dollar increases in the early steps and lesser in the later steps. The Association's proposed schedule is in line with its goal of increasing starting salaries to be more in line with County average. The result is a natural compression over time of the delta between steps. In contrast, the District's proposal maintains the structural delta throughout the contract.

Since there does not appear to be an overriding interest in the way the salaries are distributed and the aggregate cost is the same to the District, deference is given to the Association determining how funds are distributed.

ALL OTHER MATTERS

Any and all other proposals not specifically addressed in this Fact-Finding Report are recommended to be *withdrawn*, with the exception of those tentative agreements previously agreed to, whether reduced to writing or orally agreed to, before the commencement of fact-finding, which are recommended to be *adopted*.

Respectfully submitted,



John T. Marchetto, Esq.
Fact-Finder

Date: August 31, 2026