

## **Officials say concessions will save district \$1 million, set course for the future**

A change of heart by members of the Northern Ozaukee School Board resulted in a contract agreement last week with the teachers union that is expected to significantly enhance the district's financial viability.

The agreement covers the past two school years and expires June 30, but is expected to set the tone for future terms of employment. As has been the case for the past two years, conditions spelled out in a contract remain in place until a new agreement is reached.

The Fredonia Education Association had previously agreed to the concession-laden contract, but board members were reluctant to take action until June when the labor restrictions imposed by Gov. Scott Walker's budget-repair law are expected to become more clear.

School Board President Paul Krause said that hesitancy faded when board members began to look at the staffing moves that would be required if the district failed to take advantage of the potential savings offered through Walker's bill.

"We had gone through several long, hard meetings. We starting looking at the finances and realized we couldn't come up with a balanced budget simply by reducing the number of heads," Krause said.

Officials estimated the district was losing \$110,000 a month in potential savings by ignoring the options offered by the governor's budget bill.

"The key concession is agreeing that the district will have the right to select the insurance provider, which is where we are going to see some substantial savings. That is something I don't think any other district in the state has gotten its union to agree to, and it reflects a certain amount of faith by our teachers," Krause said.

"The bottom line is I think the teachers are going to be pleased with the insurance package we are going to be able to offer. More importantly, we are going to be able to avoid significant layoffs, maintain our programs and keep the small class sizes that are important to the community."

Teachers will be expected to pay 15% of the health-insurance premiums on high-deductible coverage, with the district paying 90% of that deductible.

The district has offered similar coverage to its administrators, but teachers had previously paid just 6% of insurance costs. Teachers will be able to retain the unexpended deductible amounts for future health-care expenses.

Teachers will also contribute 5.8% toward their retirement plan.

## **NOSD, teachers reach contract accord**

Written by Mark Jaeger

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The agreement does not address two components advocated by Walker's budget-repair bill — eliminating the automatic deduction of union dues and requiring annual recertification of the union.

The board spelled out the challenging fiscal position the district is facing in a letter sent to teachers last week.

“The district's financial abilities are limited, and without your help we will be forced to eliminate important programs and positions, adversely affecting our students' ability to excel,” the letter said.

“We would not make this request if we could find another way to resolve our financial difficulties.”

Although district teachers have not had a contract for the past two school years, they have qualified for step increases built into the previous salary schedule.

Teachers with the district's virtual school, Wisconsin Virtual Learning, will be covered by the agreement until the program is taken over by the National Network of Digital Schools in September.

The district has laid off three teachers for the coming school year, but those personnel moves are driven by falling enrollment rather than a need to save money.