

Factfinding Report Summary - For Public Release

October 20, 2024

While factfinding is a required part of the legal impasse process, it is very important to note a few things about factfinding. Contrary to its name, factfinding is not really about finding facts. It is a hearing during which each negotiations team, the union and management, presents the facts as they see them. Then a panel takes the information from the hearing to make a report of their recommendations for an agreement. It is the panelist's job to take some of what each side has presented to try to find a compromise.

Ms. Stevens confirms that both teams have complied with the legal requirements to get to this stage of the negotiations process.

FACTUAL BACKGROUND

A. Financial Data

- **“...the District has one of the highest per student revenues of all the districts in the Bay Area and by the end of the 2023-2024 academic year the District had more than \$20,000,000 in unrestricted reserves.”**
- “Contrary to the District's claims, it is highly unlikely that the District's revenue from property taxes will decrease in the future.”
- “In fact, the unaudited actuals reveal higher revenues and lower expenditures than expected with a 2023-2024 surplus of approximately \$600,000.”
- The district's reserves would have been reduced from 55% to 47% (a 6% decline) if they had paid the 5% wage increase by June 30, 2024
 - *This is untrue. The District set aside funds in their 2023-2024 budget to provide a salary increase, so not all of these funds would come out of the reserves.*
- The report states that according to the District, the total cost including the “me too” provisions would be \$3,400,000 drain on the district's reserves
 - *Also untrue for the same reasons as listed in the previous bullet point.*

B. Wage and Benefit Comparison

- **“...the District teachers are definitely paid significantly less than those teachers working in neighboring communities even though the District is in one of the wealthiest school districts in the country. There is no reasonable explanation for this significant wage disparity.”**

C. Non-Wage Related Issues

- **“It is beyond cavil that the parties are unable to settle this labor dispute considering the revenue generated by the well-healed Atherton community. The revenue generated by the property taxes is not only consistent but also a reliable resource for this basic aid district such that its teachers should be paid a more competitive wage.”**

DISCUSSION AND RECOMMENDATION

A. Interests and Welfare of the Public and Financial Ability of the Public School

- “...while there is certainly merit to each side’s claims, the proposed 10% wage increase would have a significant impact on the reserves while the district works on reprioritizing its expenses for wages and benefits while maintaining the desired level of reserves.”
- “Alternatively, **the 5% wage increase ignores the financial hardship** the teachers are experiencing and **does not demonstrate a sincere commitment** to improving the financial welfare of District employees.”

B. Consumer Price Index

- **“Even though the proposed 5% wage increase for 2024-2025 [sic] is more than the state CPI of 3.46% for the same year, it is significantly less than the 8.22% COLA and for this reason the recommendation is intended to encourage the parties to move closer to a wage increase that provides sufficient financial support for the teaching staff.”**

C. Overall Compensation Received by the Classified [sic] Employees

- “... the 5% increase proposed by the District is simply not enough of an increase in light of the ongoing increases in the cost of living for all and especially anyone trying to live in this expensive District.”

D. Any other Factors Relevant to Fact Finding

- “Here, the equities reside in part with the Association because the District is situated in a wealthy district and is not dependent on student enrollment and funding from the State but rather on the increasing contributions from property taxes. The District is not at risk of losing the support of the revenue from property taxes nor is there an honest threat to a decrease in the revenue from these taxes.”
- **“It would be prudent to take whatever steps necessary to avoid a strike** allowing both parties to see the benefit of moving from their positions towards one that is economically feasible for the District and beneficial for the employees.”

CONCLUSION

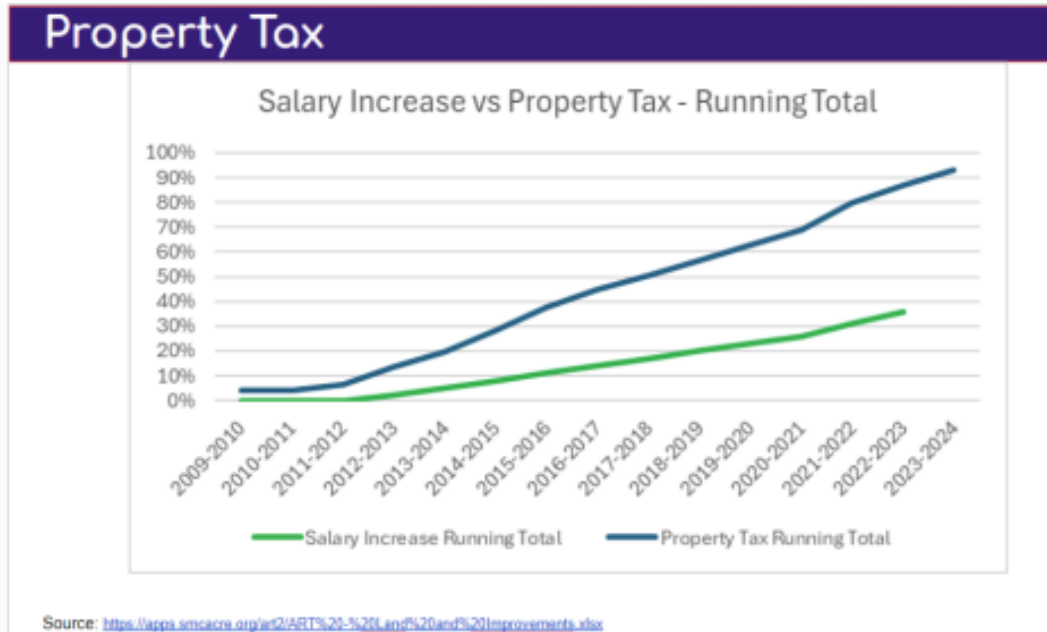
- “Specifically, the recommendation is a 7% increase retroactively to July 1, 2023, plus a one-time annual increase of \$1972 and thereafter, implementation of a floating cap of 110% of the employee only Kaiser rate for dental, vision and life for employee only.”
- *A separate recommendation is given if the parties seek a multi-year contract.*
 - “The panel recommends a wage increase in the amount of 6% retroactive to July 1, 2023, and a 5% wage increase effective July 1, 2024. The health and welfare benefit for the multi-year contract would include a sufficient increase for 2024-2025 to cover the full annual premium for employee only at the Kaiser rate for dental and life to be implemented when new rates take effect on January 1, 2025.”

CONCURRENCE IN PART AND DISSENT IN PART REGARDING PERB FACT FINDING - FROM LARRY L. SPOTTS, ASSOCIATION PANELIST

- As stated on page 8, footnote 2, in the fact-finding hearing LLEA was promised supporting data for many of management’s dubious claims (i.e. cost of step and column movement, number of LLEA members receiving certain

stipends, etc.). **Chair Steven's failed to include all of the requested and promised data** that LLEA has requested and as of yet denied by management in her footnote. Even though LLEA and their panelist have requested this data several times, LLEA has yet received this data which prevents a full dissent based on all relevant and necessary data.

- I concur with Ms. Steven's conclusion that the LLESD management is financially able to and should increase salaries and benefits more than they are offering.
- The LLEA team presented several "reprioritizations of the district budget" if management is at all reasonably concerned with maintaining the highest percentage of unrestricted reserves of its comparable group. **The graph below demonstrates how salary increases have not kept up with the increases in property tax revenues LLESD has received.**



- It bears noting that LLESD is a district of only 1,100 students, the **size of a middle school, yet has a full contingent of district office personnel, highly-compensated superintendent** and other department senior management in Student Services and Special Education, Educational Services, Finance and Business Services, Human Resources and Technology Services. **This array of senior management personnel can only be described as wasteful and educational fraud** as it takes away needed resources for direct student services in the schools. **Teachers and other educators with daily contact with students are the most effective student services in any school district. The district budget needs to reflect that fact.**
- **LLESD has the financial resources from ongoing property tax revenue and 55% unrestricted reserves to easily afford the LLEA proposals for salary and benefits.**

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