

NEW PROVIDENCE BOARD OF EDUCATION
PUBLIC STATEMENT

At the last meeting of the New Providence Board of Education (“Board”), we received several comments regarding the status of negotiations with the District’s teachers. To ensure there is no misunderstanding or miscommunication regarding the status of those negotiations, we provide this Statement.

The New Providence Education Association – Teachers’ Unit (“Association”) and the Board are currently bargaining a successor Agreement to the current Collective Bargaining Agreement (“Agreement”), which expired on June 30, 2018. After multiple negotiations sessions over the last few months, the Association has decided to declare an impasse in negotiations. It has been over twenty years since an impasse has been declared in these negotiations. During that time, the Board and the Association have always been able to reach an Agreement acceptable to both sides.

The Board respects the confidentiality of negotiations, but feels as though incorrect and incomplete information is being received by the New Providence Community. With the expiration of the current Agreement, the next school year potentially starting without a contract and the parties planning to go to mediation, the Board seeks to provide as much information as it can to the Community regarding the process and status of the current negotiations given their substantial interest.

A. History of Negotiations

The Board approached the Association to begin negotiations in October 2017. Notwithstanding that approach, the Association did not agree to meet until February 2018, and seven total joint sessions have occurred since then.

B. Costs of Salary

Salaries and employee benefits comprise approximately 80% of the school budget. These line items are by far the largest drivers of the school budget and increases in school taxes. In addition, with some exceptions, by State law any tax levy increase must stay within a 2% cap.

In 2017-2018, the last year of the current Agreement, the Board paid \$15,940,889 in salaries to approximately 210 teachers. The average salary paid to a teacher in New Providence is \$76,134.

When comparing the New Providence 2017-2018 salary guide against that of other similar districts both statewide and in Union County, New Providence salaries are extremely competitive, which permits us to attract talented teachers to the District. Whether compared to other districts in Union County or districts of similar size and demographics, our salary and benefit package are very attractive.

C. Costs of Health Benefits

In 2017-2018, the total cost of all teachers enrolled in health and dental benefits (approximately 184 employees) was \$3,978,706.59. Of that amount, the Board paid \$2,999,460.79 (approximately 75%), while teachers paid \$979,245.80 (approximately 25%). Thus, for every dollar by which health insurance costs increase in 2018-2019, the Board is responsible for 75 cents, while teachers are responsible for 25 cents. The same distribution applies for any savings on health benefits.

For 2018-2019, the Board anticipates that health benefit premiums will increase by 10%. Thus, excluding dental costs, the increase in cost for providing health benefits to all teachers is estimated at \$398,000.

D. Negotiations Goals

In addition to some relatively minor language changes to address some administrative concerns, the Board's objectives in negotiations are to stabilize health benefit costs to provide savings to the Board (and thus taxpayers) and its employees, and to reach a salary increase that is fiscally responsible yet fair to our teachers.

E. Moving Forward

As a Memorandum of Agreement has not been reached and ratified prior to June 30, 2018, the terms and conditions of the expired Agreement will continue as the status quo. No employee will be reduced in salary or health benefits.

The Board recognizes and appreciates its employees and will continue to negotiate in good faith. The Board is working to enhance the quality of education and ensure that all financial aspects of a new Agreement are in line with the present economic realities that any Agreement will have upon the citizens of New Providence.

Should any community member have a question about the status of negotiations, please do not hesitate to contact a Board member and we will do our best to respond to any questions that we are permitted to answer.

Adam Smith, President
William Dibble, Vice President
Bernadette Cuccaro
Robert Dinerman
Ira Krauss
Mary Misiukievicz

Joe Walsh