# Board's Global Financial Counterproposal #3

September 2, 2026

Negotiations between
FOWLERVILLE COMMUNITY SCHOOLS
AND
FOWLERVILLE EDUCATION ASSOCIATION
MEA/NEA

The Board of Education reserves the right to make additional proposals impacting finances and to alter, modify, or withdraw any part of this proposal based on changing economic conditions, statutory changes, or other legitimate bases. Nothing in this proposal waives the Board's statutory rights under the Public Employment Relations Act (PERA).

Nothing in this proposal shall be interpreted as an agreement to continue any prohibited subject of bargaining or any expired contractual provision before complete ratification by the Association and final approval by the Board of Education.

# FCS RESPONSE TO FEA'S AUGUST 10, 2026 COUNTERPROPOSAL

The District reserves the right to modify, add to, or subtract from this counterproposal.

## Counterproposal Summary

• Year 1: 2.0% salary-schedule increase, salary-schedule smoothing at Steps 8, 8.5, 9, and 9.5, and eligible step and lane movement. ~~beginning prospectively the day after final Board approval.~~
• Year 2: eligible step and lane movement, a 2.0% salary-schedule increase, longevity reinvestment using the savings generated by the Year 1 salary-schedule smoothing, and the Fall Actual Foundational Revenue Trigger.
• Year 3: eligible step and lane movement is guaranteed. Salary Schedule is reopened. Each party may submit one language item unless the parties agree otherwise.
• FCS accepts the FEA's July 28, 2026 Section 27l counterproposal.
• FCS withdraws the Year 1 Step 12 Actual-Enrollment Trigger.

• FCS maintains the medical-contribution and insurance-review provisions from Global Financial Counterproposal #2.
• FCS maintains the District language positions identified in Section 6 below.

# 1. TERM OF AGREEMENT

1.1 The successor collective bargaining agreement shall be effective July 1, 2026 through June 30, 2029, subject to complete ratification by the Association and final approval by the Board of Education.

1.2 Upon complete ratification and Board approval, the provisions of the expired 2024-2026 collective bargaining agreement that are not expressly modified, deleted, replaced, or made unlawful by the complete tentative agreement shall be incorporated into the successor agreement, subject to applicable law.

1.3 Nothing in this proposal constitutes an independent agreement to continue an expired contractual provision, prohibited subject, or economic benefit before complete ratification and Board approval.

# 2. 2026-2027 COMPENSATION

## Salary Schedule and Eligible Movement

2.1 The 2026-2027 salary schedule shall reflect a 2.0% increase to the 2025-2026 salary schedule, subject to the salary-schedule smoothing adjustments in Section 2.2. The final salary schedule shall be incorporated into the successor agreement. The 2.0% salary-schedule increase shall be effective July 1, 2026.

2.2 Before the 2.0% increase is calculated: (a) $5,600 shall be subtracted from each Step 8 salary cell; (b) $5,000 shall be subtracted from each Step 8.5 salary cell; (c) $1,500 shall be subtracted from each Step 9 salary cell; and (d) $2,500 shall be subtracted from each Step 9.5 salary cell. No bargaining-unit employee’s 2025-2026 scheduled salary shall be reduced solely because of these smoothing adjustments.

## Section 27l One-Time Educator Compensation

2.4 FCS accepts the FEA's July 28, 2026 counterproposal regarding Section 27l. The parties shall negotiate the distribution of the 2026-2027 Section 27l Educator Compensation funds. Those negotiations may include other Fowlerville Community Schools bargaining units as permitted by the applicable funding guidelines. No distribution formula or individual payment amount is final until reduced to a written agreement and approved by the parties.

## Step 12 Actual-Enrollment Trigger

2.5 FCS withdraws the Step 12 Actual-Enrollment Trigger for the 2026-2027 school year contained in Board's Global Financial Proposal #1.

# 3. HEALTH INSURANCE

3.1 The Board shall continue to participate in the Livingston County Health Care Consortium and shall provide medical-plan options made available through the Consortium. All actions under this section must comply with the Consortium agreement, participation requirements, procedures, timelines, and applicable law. Nothing in this proposal creates a unilateral right to violate or withdraw from the Consortium agreement.

3.2 Effective July 1, 2026, the Board shall contribute the applicable State of Michigan annual medical-benefit-plan hard-cap amounts as follows:

### 2026 Contributions

- Employee Only: $7,942.09
- Employee Plus One/Two Person: $16,609.38
- Family: $21,660.30

### 2027 Contributions

- Employee Only: $8,180.35
- Employee Plus One/Two Person: $17,107.66
- Family: $22,310.11

### 2028 Contributions

Effective January 1, 2028, the Employer's contribution to the employee's medical benefit plan costs shall be no less than the hard-cap amounts identified by the Michigan Department of Treasury for each coverage category. If the Publicly Funded Health Insurance Contribution Act, MCL 15.561 et seq., is amended during the term of this Agreement to amend or eliminate the hard cap, the parties will meet and negotiate a letter of agreement regarding insurance costs. When negotiating that letter of agreement, the Board's contribution to employee medical benefit plan costs will remain consistent with its contributions before the hard cap was amended or eliminated.

3.3 Within thirty business days after complete ratification and Board approval of this agreement, the parties shall establish a joint insurance review committee.

3.4 The District may present alternatives involving a provider, carrier, administrator, network, plan design, benefit structure, or other arrangement for consideration. This provision neither guarantees a change nor guarantees retention of the current arrangement.

The parties shall target a written recommendation by March 1, 2027 preceding an intended January 1, 2028 implementation. If withdrawal from the Consortium is required, a recommendation must be completed at least 210 calendar days before the proposed January 1, 2028 implementation to permit compliance with the Consortium's 180-day written-notice requirement. No change may take effect before January 1, 2028 unless the Consortium confirms a different lawful timeline in writing.

# 4. 2027-2028 COMPENSATION

4.1 Eligible Association employees shall receive step and lane movement for the 2027-2028 school year.

4.2 The 2027-2028 salary schedule shall reflect a 2.0% increase to the final 2026-2027 salary schedule. The final 2027-2028 salary schedule shall be incorporated into the successor agreement.

## Longevity Reinvestment

4.3 Beginning with the 2027-2028 school year, the savings generated by the salary-schedule smoothing at Steps 8, 8.5, 9, and 9.5 shall be reinvested in Appendix A-2 longevity. Consistent with Global Financial Counterproposal #2, the existing 2-11 Years category shall be divided into 2-5 Years and 6-11 Years. Appendix A-2 longevity amounts shall be revised as follows: 2-5

Years, $600; 6-11 Years, $1,000; 12-15 Years, $2,655; 16-20 Years, $3,255; 21-25 Years, $3,800; 26-28 Years, $4,450; and 29+ Years, $4,700. Each eligible employee shall receive only the amount corresponding to the employee's applicable longevity category. These revised longevity amounts are recurring, shall remain in Appendix A-2 unless changed by a subsequent agreement, shall not become part of the salary schedule, and may not be stacked across longevity categories.

**Longevity-2027-2028**

| Years of Service | $ Amount | Increase | Total $ Amount | Longevity Year | EE Count | Longevity $ |
|---|---|---|---|---|---|---|
| 1 | 350 | - | 350 | 1 | - | - |
| 2-5 | 300 | 300 | 600 | 2-5 | 26 | 15,600 |
| 6-11 | - | 1,000 | 1,000 | 6-11 | 32 | 32,000 |
| 12-15 | 2,005 | 650 | 2,655 | 12-15 | 14 | 37,170 |
| 16-20 | 2,555 | 700 | 3,255 | 16-20 | 9 | 29,295 |
| 21-25 | 3,050 | 750 | 3,800 | 21-25 | 19 | 72,200 |
| 26-28 | 3,650 | 800 | 4,450 | 26-28 | 13 | 57,850 |
| 29+ | 3,850 | 850 | 4,700 | 29+ | 12 | 56,400 |

## Fall Actual Foundational Revenue Trigger

4.4 An additional salary-schedule increase for the 2027-2028 school year is triggered only if the District's Fall 2027 Actual Foundational Revenue is at least $300,000 higher than its Fall 2026 Actual Foundational Revenue.

For purposes of this calculation:
• Fall 2026 Actual Foundational Revenue equals the audited fall 2026 count multiplied by the State-adopted 2026-2027 foundation allowance.
• Fall 2027 Actual Foundational Revenue equals the audited fall 2027 count multiplied by the State-adopted 2027-2028 foundation allowance.
• The audited fall count means the Actual Total Adjusted K-12 and Special Education FTE generated by LESA and submitted to the Michigan Department of Education on Form DS4120.
• The count does not include the spring pupil count, blended membership, a three-year membership average, enrollment stabilization, a stabilization-equivalent calculation, a declining-enrollment adjustment, a hold-harmless provision, or any similar mechanism.
• Shared-service pupils and any pupil or program for which the District does not retain the full unrestricted foundation allowance are excluded.

No additional 2027-2028 salary-schedule increase will be made beyond the 2.0% described in Section 4.2 unless Fall 2027 Actual Foundational Revenue exceeds Fall 2026 Actual Foundational Revenue by at least $300,000.

4.5 If the $300,000 threshold is met, the additional 2027-2028 salary-schedule increase will be calculated as follows:
• Subtract $300,000 from the increase between Fall 2026 and Fall 2027 Actual Foundational Revenue.
• Multiply the remaining amount by 40%.
• Divide that amount by the total FEA salary cost equivalent to a 1.0% salary-schedule increase as of December 15, 2027.
• Round the resulting percentage to the nearest one-hundredth of one percent.
• Apply the resulting percentage uniformly to every salary cell in the 2027-2028 salary schedule.

4.6 To receive the additional salary-schedule increase, an employee must be actively employed in an FEA bargaining-unit position as of December 15, 2027. An employee on an approved paid or unpaid leave will be considered actively employed for this purpose.

The calculation will be completed in January 2028, provided the audited fall 2027 count and State-adopted 2027-2028 foundation allowance are available. If the required information is unavailable, the calculation will be completed forty-five calendar days after the required information becomes available. The resulting salary-schedule increase will be retroactive to July 1, 2027 and paid over the remaining regular payrolls for the 2027-2028 school year unless another payroll method is administratively necessary. The updated 2027-2028 salary schedule will become the controlling salary schedule.

4.7 The calculation will include only the increase in Actual Foundational Revenue attributable to the audited fall 2026 and fall 2027 counts and their respective State-adopted foundation allowances. The following will not increase the calculation:
• Three-year-average membership;
• Enrollment stabilization, stabilization-equivalent, declining-enrollment, hold-harmless, or similar funding;
• Section 27l funding;
• At-risk or bilingual funding;
• Special education funding;
• Mental-health or school-safety funding;
• Transportation reimbursement;
• MPSERS or UAAL relief;
• Grants or restricted or categorical funding;
• Local property-tax revenue;
• Insurance savings;
• One-time funding; or
• Any other State-budget or District-revenue item.

# 5. 2028-2029 STEP AND LANE MOVEMENT AND FINANCIAL REOPENER

5.1 Eligible Association employees shall receive step and lane movement for the 2028-2029 school year. The parties shall reopen the salary schedule for 2028-2029. Each party may submit no more than one language item of its choosing unless the parties mutually agree in writing to bargain additional items.

5.2 Written notice identifying the proposed language items shall be delivered no later than January 15, 2028. Initial economic and language proposals shall be exchanged by February 1, 2028. Bargaining shall begin by February 15, 2028. The parties shall meet at least twice each calendar month through May 31, 2028 unless they agree otherwise in writing.

5.3 If no reopener agreement is ratified and approved before July 1, 2028:
• The final controlling 2027-2028 salary schedule shall remain in effect;
• Eligible 2028-2029 step and lane movement shall occur;
• No retroactive wage increase shall apply unless mutually agreed to; and
• Provisions not reopened shall continue, subject to applicable law.

5.4 If no agreement is reached before the first student day, the parties shall continue bargaining and may request mediation through the Michigan Employment Relations Commission. No interest arbitration or other binding dispute-resolution procedure applies unless required by law or mutually agreed in writing.

# 6. CONTINGENT LANGUAGE PROPOSALS

6.1 The following District positions are incorporated into this global counterproposal and remain as stated in Global Financial Counterproposal #2:

• Article V, Section 4: Personal Business — FCS rejects FEA personal business day language proposed on 8/10/2026.
• Article IX Teaching Conditions, Section 8 (Assigned Location) — As proposed by FCS 9/2/2026
• Article VII, Section 3; Appendix D — Accept FEA's July 28, 2026 counterproposal: "If a 3-year agreement is reached, the 2028-2029 calendar will be negotiated as a part of the tentative agreement that will be presented to FEA membership for ratification."
• Article XIII — Probationary & Tenured Teacher Discipline — Current contract language (CCL)
• Article XIV — Teacher Placement — Current contract language (CCL)
• Article XV — Teacher Layoff and Recall — Current contract language (CCL)
• Article XVI — Teacher Evaluation — As proposed by FCS 9/2/2026

• Article XVIII — Grievance Procedure — As proposed by FCS on 8/10/2026
• Article XIX — Miscellaneous Provisions, Section 8: As proposed by FCS on 9/2/2026
• Appendix C, Section 1: — As proposed by FCS on 9/2/2026
• Appendix G — As proposed by FCS on 8/10/2026

# 7. COMPLETE GLOBAL PACKAGE

7.1 The following constitute one complete and indivisible global package:
• The term and continuation provisions;
• The Year 1 2.0% salary-schedule increase, salary-schedule smoothing, and prospective eligible step and lane movement;
• The Section 27I negotiation provision;
• The medical-contribution and insurance-review provisions;
• The Year 2 2.0% salary-schedule increase, eligible step and lane movement, longevity reinvestment, and Fall Actual Foundational Revenue Trigger;
• The Year 3 guaranteed eligible step and lane movement and financial reopener;
• Every maintained District language proposal identified in Section 6; and
• All other provisions expressly incorporated into this package.

# 8. ACCEPTANCE

For Fowlerville Community Schools Date

_____ _____

For the Fowlerville Education Association Date

_____ _____