Board's Global Financial Proposal #1

July 21, 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, as well as the right to alter or modify or retract any of the proposals contained herein due to changing economic conditions and other legitimate bases. Nothing contained in this proposal shall be considered a waiver of the Board's statutory rights with respect to such matters under the Public Employment Relations Act ("PERA"). This proposal is made on the basis of present and anticipated fiscal and operating conditions. The Board of Education reserves the right to amend, modify or withdraw any aspect or component of this proposal based on changes in those conditions or in response to any future statutory enactments that pertain to any of the matters addressed herein.

Nothing in this proposal should be regarded as indicating that the Board of Education proposes or otherwise intends to continue any provisions of the Master Agreement, or a future letter of understanding, which pertain to prohibited subjects of bargaining in any Memorandum of Understanding, to the extent that such provisions pertain to prohibited subjects of bargaining. Further, the Fowlerville Education Association MEA/NEA is hereby also notified that the Board of Education will not enter into or execute any Memorandum of Understanding which contains provisions embodying or pertaining to any prohibited subject of bargaining, as are more particularly set forth in Section 15(3) of PERA.

The District reserves the right to add to or subtract from this Proposal.

IMPACT EXAMPLES

What this proposal could mean for teachers and the District

These examples are informational estimates for understanding. They do not modify the proposal's operative terms, guarantee any payment, or replace the eligibility rules and formulas stated below.

Impact Example	Illustrative impact
Year 1 — step + 1.5% scale	● Teachers below Step 12 (47 total): Average salary rises from $62,756 to $66,873 (an increase of $4,117 or 6.6%). ● Step 12 Teachers (78 total): ● BA: $81,781 to $83,008 (+$1,227; 1.5%) ● MA: $87,175 to $88,483 (+$1,308; 1.5%) ● MA+15: $88,525 to $89,853 (+$1,328; 1.5%)
Year 2 — step + 1% scale	● Teachers below Step 12 (44 total): Average salary rises from $66,873 to $69,600 (an increase of $2,727 or 4.1%). ● Step 12 Teachers (81 total): ● BA: $83,008 to $83,838 (+$830; 1.0%) ● MA: $88,483 to $89,367 (+$885; 1.0%) ● MA+15: $89,853 to $90,751 (+$899; 1.0%)
Section 27L — full-time teacher	Section 27L (One-Time Stipend) ● Based on the estimated $238,583 allocation for Fowlerville, a full-time teacher could receive approximately $667 gross as a one-time payment. See formula below.
Year 1 enrollment trigger — step 12 teacher example (Step 12 Only)	Year 1 Enrollment Trigger (Step 12 Teachers) ● Minimum (5.0 excess FTE): Approximately $101 gross per full-time eligible teacher. ● Maximum (reaches $75,000 cap at ~29.13 excess FTE): Approximately $586 gross per full-time eligible teacher.
Year 2 revenue trigger — worked example (All)	● $500,000 Revenue Increase: Adds $80,000 to the salary schedule, providing an additional 0.72% scale increase (approx. $578 for an average full-time teacher).
Health insurance — full-family premium example	Health Insurance (Full-Family Premium Example) ● Currently: Employees currently pay up to $550.42 per month. ● Example Scenario: If a new insurance plan costs $21,600 annually, the District's $21,660.30 contribution would cover the full premium. ● Potential Savings: A teacher currently paying $550.42 per month would save approximately $6,605 per year based on the example scenario.
Year 1 - estimated total district cost for steps and scale increase	● Estimated Year 1 District Cost: $454,581 ● Steps: $254,561 ● Lanes: No current lane changes ● 1.5% on-scale increase: $200,020
Year 2 - estimated total district cost for steps and scale increase	● Estimated Year 2 District Cost: $339,489 ● Steps: $202,121 ● Lanes: Unknown (TBD)

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Impact Example	Illustrative impact
	● 1% on-scale increase: $137,368
Estimated two-year total district cost for steps and and scale increases (26/27 + 27/28)	● Estimated Two-Year Cost: Approximately $794,070 ● This total reflects additional salary costs across Years 1 and 2, before accounting for insurance, longevity, Schedule B changes, or other payroll costs.

HOW TO READ THESE ESTIMATES

• “Average teacher” figures are headcount averages for full-time, full-year teachers in the 2025-2026 FEA census who are eligible for the stated full-step movement. Individual results vary by step, lane, FTE, eligibility, leave status, and future lane movement.

• Districtwide estimates are salary-only costs. They exclude insurance, longevity, and other payroll costs.

• Estimated lane costs use the average number and cost of documented lane changes in the 2024-2025 and 2025-2026 census data; actual future lane changes may differ.

• Trigger and Section 27L examples are gross-pay estimates before employee taxes and deductions. Final amounts depend on actual staffing, FTE weights, employer payroll costs, State funding, MDE/ORS guidance, and all proposal conditions.

SOURCES AND DATA DATE

District 2025-2026 FEA census delivered to MEA on April 8, 2026; the 2024-2026 FEA collective bargaining agreement; Exhibits A and B in this proposal; the District’s 2025-2026 Section 27L distribution plan; and the House Fiscal Agency’s July 3, 2026 FY 2026-2027 district-impact estimate. The HFA estimate shows $238,583 for Fowlerville Section 27L educator compensation. As of July 15, 2026, this remains a planning estimate from the Legislature-passed budget pending gubernatorial action and final State implementation guidance.

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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 Effective for the 2026-2027 school year, Appendix A-1 shall be replaced by the salary schedule in Exhibit A. The 2026-2027 Salary Schedule shown in Exhibit A represents a 1.5% increase to the 2025-2026 Salary Schedule itself.

2.2 The Exhibit A schedule and eligible 2026-2027 step and lane movement shall be retroactive to July 1, 2026 if:

a. The bargaining teams execute a complete tentative agreement;

b. The Association completes ratification of the complete tentative agreement no later than 11:59 p.m. on August 23, 2026.

c. The Board of Education thereafter approves the complete tentative agreement.

2.3 Payment shall be processed after Board approval but shall be retroactive to July 1, 2026 if the foregoing conditions are met as described in Section 2.2. If Association ratification occurs after August 23, 2026, the Exhibit A schedule and eligible movement shall become effective prospectively following both Association ratification and Board approval unless the parties expressly agree otherwise in writing. No economic provision becomes binding solely because the bargaining teams sign a tentative agreement. If these conditions are not met, the Board does not agree to retroactive pay for bargaining unit employees.

2.4 Individual Contract Issuance. Following execution of a complete tentative agreement, Association ratification, and final Board approval, the District shall issue each bargaining-unit member one individual employment contract covering the entire 2026–2027 school year. The contracts shall be issued no later than September 1, 2026, or as soon as reasonably practicable if final Board approval occurs after that date. Contract issuance shall remain subject to the effective-date and retroactivity provisions of Sections 2.2 and 2.3. The Board does not agree to retroactive pay if the above conditions are not met.

The District reserves the right to add to or subtract from this Proposal.

Exhibit A — 2026-2027 Teacher Salary Schedule

2026-27 Teacher Salary Schedule (1.5% increase to scale)															
	BA					MA					MA+15				
Step	Amount	% Increase - Full Step	$ Increase	Total $ Amount	Total % Increase	Amount	% Increase - Full Step	$ Increase	Total $ Amount	Total % Increase	Amount	% Increase - Full Step	$ Increase	Total $ Amount	Total % Increase
1	45,716	0.00%	686	46,402	1.50%	48,448	0.00%	727	49,175	1.50%	49,126	0.00%	737	49,863	1.50%
1.5	46,967	0.00%	705	47,672	1.50%	49,814	0.00%	747	50,561	1.50%	50,524	0.00%	758	51,282	1.50%
2	48,217	5.47%	723	48,940	6.97%	51,178	5.63%	768	51,946	7.13%	51,923	5.69%	779	52,702	7.19%
2.5	49,471	5.33%	742	50,213	6.83%	52,548	5.49%	788	53,336	6.99%	53,320	5.53%	800	54,120	7.03%
3	50,713	5.18%	761	51,474	6.68%	53,910	5.34%	809	54,719	6.84%	54,708	5.36%	821	55,529	6.86%
3.5	51,965	5.04%	779	52,744	6.54%	55,272	5.18%	829	56,101	6.68%	56,097	5.21%	841	56,939	6.71%
4	53,205	4.91%	798	54,003	6.41%	56,638	5.06%	850	57,488	6.56%	57,493	5.09%	862	58,355	6.59%
4.5	54,490	4.86%	817	55,307	6.36%	58,001	4.94%	870	58,871	6.44%	58,877	4.96%	883	59,760	6.46%
5	55,755	4.79%	836	56,591	6.29%	59,349	4.79%	890	60,239	6.29%	60,244	4.78%	904	61,148	6.29%
5.5	57,009	4.62%	855	57,864	6.12%	60,724	4.69%	911	61,635	6.19%	61,658	4.72%	925	62,583	6.22%
6	58,263	4.50%	874	59,137	6.00%	62,099	4.63%	931	63,030	6.13%	63,053	4.66%	946	63,999	6.16%
6.5	59,499	4.37%	892	60,391	5.87%	63,457	4.50%	952	64,409	6.00%	64,457	4.54%	967	65,424	6.04%
7	60,729	4.23%	911	61,640	5.73%	64,825	4.39%	972	65,797	5.89%	65,850	4.44%	988	66,838	5.94%
7.5	62,022	4.24%	930	62,952	5.74%	66,195	4.31%	993	67,188	5.81%	67,001	3.95%	1,005	68,006	5.45%
8	71,076	17.04%	1,066	72,142	18.54%	75,763	16.87%	1,136	76,899	18.37%	76,937	16.84%	1,154	78,091	18.34%
8.5	71,875	15.89%	1,078	72,953	17.39%	76,616	15.74%	1,149	77,765	17.24%	77,803	16.12%	1,167	78,970	17.62%
9	72,674	2.25%	1,090	73,764	3.75%	77,469	2.25%	1,162	78,631	3.75%	78,670	2.25%	1,180	79,850	3.75%
9.5	74,751	4.00%	1,121	75,872	5.50%	79,681	4.00%	1,195	80,876	5.50%	80,915	4.00%	1,214	82,129	5.50%
10	75,582	4.00%	1,134	76,716	5.50%	80,568	4.00%	1,209	81,777	5.50%	81,815	4.00%	1,227	83,042	5.50%
10.5	77,741	4.00%	1,166	78,907	5.50%	82,867	4.00%	1,243	84,110	5.50%	84,151	4.00%	1,262	85,413	5.50%
11	78,605	4.00%	1,179	79,784	5.50%	83,790	4.00%	1,257	85,047	5.50%	85,088	4.00%	1,276	86,364	5.50%
11.5	80,177	3.13%	1,203	81,380	4.63%	85,466	3.14%	1,282	86,748	4.64%	86,790	3.14%	1,302	88,092	4.64%
12	81,781	4.04%	1,227	83,008	5.54%	87,175	4.04%	1,308	88,483	5.54%	88,525	4.04%	1,328	89,853	5.54%

*Current Step 12 Teachers would received a 1.50% Increase

Section 27l One-Time Educator Compensation

2.5 If the District receives a 2026-2027 allocation expressly designated for educator compensation under Section 27l of the State School Aid Act, the District shall distribute the portion legally available for employee wages and associated mandatory employer payroll costs under this section. The District shall have no General Fund obligation if the allocation is reduced, delayed, eliminated, withheld, recaptured, or declared unavailable for the proposed purpose.

2.6 The eligibility record date shall be May 1, 2027. An FEA bargaining-unit member is eligible if the member:

- Was hired on or before September 1, 2026;
- Remains employed in an FEA bargaining-unit position on May 1, 2027; and
- Is not separated from employment effective before May 1, 2027.

An employee on an approved paid or unpaid leave on May 1, 2027 remains employed for this purpose.

A change in status after May 1, 2027 does not alter eligibility.

2.7 An eligible FEA member's distribution weight shall be based on the regular biweekly assignment in effect on May 1, 2027:

Regular Biweekly Assignment	Distribution Weight
60.0 or more hours	1.00
45.0–59.9 hours	0.80
30.0–44.9 hours	0.60
15.0–29.9 hours	0.40

An employee on approved leave shall receive the weight applicable to the employee's regular assignment immediately before the leave.

2.8 The FEA Employer-Cost Share shall equal the District's actual Section 27l employer-cost allocation multiplied by the total eligible FEA weights and divided by the total eligible weights for all District employees included in the District's lawful Section 27l distribution plan.

The FEA gross-wage pool shall be calculated so that the total of:

- Gross payments to eligible FEA members; and
- All mandatory employer FICA, MPSERS, UAAL, and other legally required employer payroll costs attributable to those payments doesn't exceed the FEA Employer-Cost Share.

Each eligible member's gross payment shall equal the member's distribution weight multiplied by the Full-Weight Gross Reference. Reasonable payroll-rounding adjustments may be made, but the total District employer cost shall not exceed the FEA Employer-Cost Share.

2.9 Payment shall be made no later than June 30, 2027. If the District has not received the allocation and final implementing guidance by May 15, 2027, payment shall be made within forty-five calendar days after both the allocation and final guidance are received.

2.10 *The payment is a gross amount before employee taxes, deductions, and withholdings. It is one-time, off-schedule, nonrecurring, and nonprecedential. It does not increase any salary-schedule cell or create a continuing obligation.*

The payment shall be reported as retirement compensation only to the extent required or permitted by final law and binding Office of Retirement Services guidance.

This is the same process and formula as agreed to by the Board, FEA and other Fowlerville associations during the 2025/2026 academic year.

Step 12 Actual-Enrollment Trigger

2.11 This payment is triggered only if the audited fall 2026 student count is at least 5.0 FTE higher than the District's budgeted enrollment of 2,124.13 FTE.

For purposes of this calculation:

- The fall 2026 audited 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 a three-year membership average, enrollment stabilization, declining-enrollment adjustment, hold-harmless provision, stabilization-equivalent calculation, or similar mechanism.
- Shared-service pupils and any pupil or program for which the District does not retain the full unrestricted foundation allowance are excluded.
- Excess FTE equals the audited fall 2026 count minus 2,124.13 FTE.

No payment will be made unless the audited fall 2026 count exceeds 2,124.13 FTE by at least 5.0 FTE. If that threshold is met, all FTE above 2,124.13 will be included in the calculation.

2.12 The applicable 2026-2027 foundation allowance is $10,300 per FTE.

The Contractual Enrollment Formula Amount will be calculated as follows:

Excess FTE × $10,300

The Step 12 employer-cost pool will equal 25% of the Contractual Enrollment Formula Amount.

2.13 The Final Step 12 Employer-Cost Pool will be the lowest of the following amounts:

- 25% of the Contractual Enrollment Formula Amount;
- $75,000; or
- $1,000 multiplied by the total eligible Step 12 FTE.

The Final Step 12 Employer-Cost Pool includes gross wages and all related employer FICA, MPSERS, UAAL, and other mandatory employer payroll costs.

2.14 An eligible employee must:

- Be an active FEA bargaining-unit employee placed at Step 12 as of December 15, 2026; and
- Remain employed in an FEA bargaining-unit position on the payment date.

Approved leave does not break active employment.

An eligible employee's gross payment shall equal the employee's contractual FTE as of December 15, 2026 multiplied by the Full-Time Gross Reference.

Reasonable payroll-rounding adjustments may be made, but total District employer cost shall not exceed the Final Step 12 Employer-Cost Pool.

Payment shall be made no later than February 15, 2027. If final fall 2026 audited information required for the calculation is unavailable by January 31, 2027, payment shall be made within forty-five calendar days after the required information becomes available.

2.15 The calculation shall include only the contractual foundation amount attributable to Excess Actual Membership.

The following shall not increase the calculation:

- Foundation funding attributable to the first 2,124.13 FTE
- Three-year-average membership;
- Enrollment-stabilization, stabilization-equivalent, declining-enrollment, hold-harmless, or similar funding;
- Section 27l funding;
- Weighted-foundation 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 appropriations; or
- Any other State-budget or District-revenue item.

The payment is one-time, off-schedule, nonrecurring, and nonprecedential. It does not become part of the salary schedule and creates no continuing obligation.

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 shown below, which is the language proposed by FCS on 4/30/26.

2026 Contributions

Coverage Category	Annual District Contribution
Employee Only	$7,942.09
Employee Plus One/Two Person	$16,609.38
Family	$21,660.30

2027 Contributions

Coverage Category	Annual District Contribution
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 numbers 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. The parties agree that when negotiating said letter of agreement regarding insurance costs, 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 Steps and lanes for eligible Association employees.

4.2 The 2027-2028 Salary Schedule shown in Exhibit B represents a 1% increase to the 2026-2027 Salary Schedule itself.

The District reserves the right to add to or subtract from this Proposal.

Exhibit B — 2027-2028 Teacher Salary Schedule

2026-27 Teacher Salary Schedule (1.0% increase to scale)															
	BA					MA					MA+15				
Step	Amount	% Increase - Full Step	$ Increase	Total $ Amount	Total % Increase	Amount	% Increase - Full Step	$ Increase	Total $ Amount	Total % Increase	Amount	% Increase - Full Step	$ Increase	Total $ Amount	Total % Increase
1	46,402	0.00%	464	46,866	1.00%	49,175	0.00%	492	49,666	1.00%	49,863	0.00%	499	50,362	1.00%
1.5	47,672	0.00%	477	48,148	1.00%	50,561	0.00%	506	51,067	1.00%	51,282	0.00%	513	51,795	1.00%
2	48,940	5.47%	489	49,430	6.47%	51,946	5.63%	519	52,465	6.63%	52,702	5.69%	527	53,229	6.69%
2.5	50,213	5.33%	502	50,715	6.33%	53,336	5.49%	533	53,870	6.49%	54,120	5.53%	541	54,661	6.53%
3	51,474	5.18%	515	51,988	6.18%	54,719	5.34%	547	55,266	6.34%	55,529	5.36%	555	56,084	6.36%
3.5	52,744	5.04%	527	53,272	6.04%	56,101	5.18%	561	56,662	6.18%	56,939	5.21%	569	57,508	6.21%
4	54,003	4.91%	540	54,543	5.91%	57,488	5.06%	575	58,062	6.06%	58,355	5.09%	584	58,939	6.09%
4.5	55,307	4.86%	553	55,860	5.86%	58,871	4.94%	589	59,460	5.94%	59,760	4.96%	598	60,358	5.96%
5	56,591	4.79%	566	57,157	5.79%	60,239	4.79%	602	60,842	5.79%	61,148	4.78%	611	61,759	5.78%
5.5	57,864	4.62%	579	58,443	5.62%	61,635	4.69%	616	62,251	5.69%	62,583	4.72%	626	63,209	5.72%
6	59,137	4.50%	591	59,728	5.50%	63,030	4.63%	630	63,661	5.63%	63,999	4.66%	640	64,639	5.66%
6.5	60,391	4.37%	604	60,995	5.37%	64,409	4.50%	644	65,053	5.50%	65,424	4.54%	654	66,078	5.54%
7	61,640	4.23%	616	62,256	5.23%	65,797	4.39%	658	66,455	5.39%	66,838	4.44%	668	67,506	5.44%
7.5	62,952	4.24%	630	63,582	5.24%	67,188	4.31%	672	67,860	5.31%	68,006	3.95%	680	68,686	4.95%
8	72,142	17.04%	721	72,864	18.04%	76,899	16.87%	769	77,668	17.87%	78,091	16.84%	781	78,872	17.84%
8.5	72,953	15.89%	730	73,683	16.89%	77,765	15.74%	778	78,543	16.74%	78,970	16.12%	790	79,760	17.12%
9	73,764	2.25%	738	74,502	3.25%	78,631	2.25%	786	79,417	3.25%	79,850	2.25%	799	80,649	3.25%
9.5	75,872	4.00%	759	76,631	5.00%	80,876	4.00%	809	81,685	5.00%	82,129	4.00%	821	82,950	5.00%
10	76,716	4.00%	767	77,483	5.00%	81,777	4.00%	818	82,594	5.00%	83,042	4.00%	830	83,873	5.00%
10.5	78,907	4.00%	789	79,696	5.00%	84,110	4.00%	841	84,951	5.00%	85,413	4.00%	854	86,267	5.00%
11	79,784	4.00%	798	80,582	5.00%	85,047	4.00%	850	85,897	5.00%	86,364	4.00%	864	87,228	5.00%
11.5	81,380	3.13%	814	82,193	4.13%	86,748	3.14%	867	87,615	4.14%	88,092	3.14%	881	88,973	4.14%
12	83,008	4.04%	830	83,838	5.04%	88,483	4.04%	885	89,367	5.04%	89,853	4.04%	899	90,751	5.04%

*Current Step 12 Teachers would received a 1.00% Increase

Fall Actual Foundational Revenue Trigger

4.3 This salary-schedule increase applies to the 2027-2028 school year. It 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 1% described above, unless Fall 2027 Actual Foundational Revenue exceeds Fall 2026 Actual Foundational Revenue by at least $300,000.

4.4 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.

4.5 An eligible 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. The retroactive amount will be paid over the remaining regular payrolls for the 2027-2028 school year unless another payroll method is administratively necessary.

The 2027-2028 salary schedule will be updated to include the additional percentage increase and will become the controlling salary schedule.

4.6 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 FINANCIAL REOPENER

5.1 The parties shall reopen wages, salary schedules, step and lane movement, and medical contributions 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.

The District reserves the right to add to or subtract from this Proposal.

The FEA reserves the right to modify, add to, or subtract from the proposal.

5.3 If no reopener agreement is ratified and approved before July 1, 2028:

- Exhibit B shall remain in effect;
- No 2028-2029 step or lane movement shall occur unless a subsequently approved reopener agreement provides for such movement;
- No retroactivity of wages unless mutually agreed to;
- 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. OPERATING-MILLAGE REOPENER

6.1 If the District's non-homestead operating-millage proposal does not pass at the August 4, 2026 election, or if the District otherwise experiences a permanent reduction in the number of operating mills it is legally authorized to levy, either party may demand a financial reopener limited to financial provisions directly affected by the recurring revenue loss.

6.2 The District shall notify the Association within ten calendar days after official certification of an election failure or confirmation of another permanent millage reduction.

A written reopener demand shall identify the estimated annual revenue loss and the financial provisions proposed for review.

Bargaining shall begin within thirty calendar days after notice and shall occur at least once every fourteen calendar days unless the parties agree otherwise.

6.3 If the August 4, 2026 millage proposal fails before complete ratification and Board approval, the Year 1 and Year 2 economic changes that have not become effective shall be held in abeyance pending the reopener.

If a permanent millage reduction occurs after an economic provision becomes effective, earned salary shall not be recovered or unilaterally reduced. Prospective economic provisions not yet earned may be suspended, delayed, reduced, or modified only by written agreement or as otherwise permitted by law.

6.4 The reopener shall not reopen unrelated language. While the reopener is pending, existing terms shall continue except for an economic item expressly held in abeyance under Section 6.3.

The parties retain all statutory rights and obligations.

7. TIE-BARRED LANGUAGE PROPOSALS

7.1 The unresolved District-originated language proposals and District counterproposals identified in Exhibit C are expressly incorporated into this Global Financial Proposal.

Exhibit C — Control Index of Tie-Barred District Language Proposals

Article/Section	Controlling District Proposal or Reference
Article IV, Section 18, Article VII, Section 3, Appendix D	2028-2029 Calendar Reopener occurs concurrently with the 2028-2029 Financial Reopener in section 5 above. Timelines and other terms listed in section 5 apply.
Article II, Section 1	FCS proposed language from 4/30/26
Article IV, Section 3: B	FCS proposed language change from 4/30/26

The District reserves the right to add to or subtract from this Proposal.

Article/Section	Controlling District Proposal or Reference
Article IV, Section 3: C	FCS proposed language change from 4/30/26
Article IV, Section 3: E	FCS proposed language deletion from 4/30/26
Article IV, Section 19 and Section 23 Article IX, Section 3: a-c Appendix C, Section 3	FCS proposed removing Media Center Specialist language from contract as previously proposed.
Appendix G	FCS proposed language from 7/21/26
Appendix E (mentor)	FCS proposed language from 7/21/26
Schedule B	FCS proposed language from 7/21/26

8. COMPLETE GLOBAL PACKAGE INCLUDES

8.1 The following constitute one complete and indivisible global package:

- Term and continuation provisions;
- Exhibit A;
- Year 1 step and lane movement;
- Section 27L compensation provisions;
- The Step 12 actual-enrollment trigger;
- Medical contributions and insurance-review provisions;
- Exhibit B;
- Year 2 step and lane movement;
- The Year 2 actual-enrollment trigger;
- The Year 3 reopener;
- Every District language proposal listed in Exhibit C;
- All other provisions expressly incorporated into this package.

9. ACCEPTANCE

For Fowlerville Community Schools	Date	For the Fowlerville Education Association	Date
_____	_____	_____	_____