Arbitrator Upholds School District’s Position Resulting in $11.5M Savings

We won an impasse arbitration award for our client Clark County School District that resulted in the District saving $11.5 million for the remainder of the 2013 school year. Clark County School District is one of the largest school districts in the nation and includes approximately 311,000 students.

The collective bargaining agreement between the teachers’ union (Clark County Education Association) and the School District included automatic raises in teacher salaries and also a multi-million dollar contribution by the District to the retired teachers’ health trust, which administers health benefits for those retired teachers. Under the extremely difficult financial climate in Southern Nevada, all the other bargaining units in the District agreed to pay freezes. The teachers’ union, however, refused. Because of the cost of the union’s refusal to freeze salaries, the District was compelled to eliminate over 1,000 teaching positions at the end of the 2012 school year. Going into the 2013 school year, the union again refused to a freeze of the automatic raises. Following the bargaining impasse the parties submitted to arbitration. Arbitrator Jay Fogelberg agreed with the District’s arguments and imposed the District’s final offer to roll back the teachers’ raises to 2012 levels for the remainder of the 2013 school year and to suspend both the District’s and the teachers’ obligations to contribute to the retirees’ health trust.