

MEA Bargaining 2016-2017
Session #4

Wednesday, August 24, 2016

Those present: Pat Barber, Sara Brown, Melissa Cohen, Scott Cooper, Jacob Davis, Helen King, Melanie Newhall, Bruce Proud, Rebecca Roberts, Don Sauer, Lesli Strickland, Bill Vogel and Dawn Walker.

Meeting began at 4:23 p.m.

Minutes – The minutes of the July 28, 2016 session were distributed.

Insurance

Bill stated that there had been 2 health insurance committee (HIC) meetings since last bargaining session. Rebecca distributed HIC's recommendation. She stated that the superintendent is willing to contribute additional dollars to subsidize spousal and family coverage. The recommendation nearly halves the increase that had been considered. It does not get us to a defined contribution but is a step toward that.

Bill said he sees decreases and minimal increases and appreciates the association recognizing that spouses contribute to rates going up.

Bruce stated that although this recommendation is better, the association has major concerns. The district is saving more money by not paying family premium.

Rebecca stated that we are the district. A dollar saved to district is a dollar available for salary and for hiring teachers.

The district agreed last year to contribute \$4.6 million to the health insurance fund.

Bruce said that the need to contribute had to do with failure of the district to budget in the past. That was the district's responsibility, but instead they used it for other purposes. He stated that the district spends less on employees every year as you go through the process. This is no different than any other district. Spouses cost more because you have adverse selection; it's no different in other districts. This district is different in that it contributes to spousal and family coverage, and that is appreciated. \$296 more per month out of employees is more than \$2000 in additional premiums. For some employees that is a considerable amount

Bill stated that he appreciates that the association recognizes that. Other districts have moved away from supplementing plans. This board and superintendent have been concerned about health insurance. The district can't look back at what happened in the past. The work of the HIC has been positive.

Bruce stated that we have to go back beyond 3 years to figure out why the district had to do this. Pinellas and DeSoto decided subsidizing plans is important to the families as part of recruitment and retention process.

Bill stated that there is no disagreement on that.

Bruce stated that he heard at this table that the district wants to get spouses off the plan. This is a good way to do it by causing people to look for other options.

Bill asked if the association had an alternative proposal. The district does not have a lot of money to go around. The district is stretching the limit on the fund balance. If the association wants to propose more money in health insurance then we will have less for salaries.

Bruce stated that last time he proposed that Aon deal with the current composite plan trend. Rebecca said she

wouldn't do that. Look at what the plan performance is to date. There are more than 2 options that could reduce overall increase. The real issue is that increasing premiums more than is required. Employees are paying for plan requirements.

Rebecca asked if Bruce would explain.

Bruce said that he was talking about the overall cost of the plan. Total cost plus savings the district has. Does the plan need the amount Aon is recommending?

Bill said that there is a good reason for that. The district is dangerously close to the state minimum. He stated that we are in agreement on a plan that was submitted. We agree that we are subsidizing spouses and other employees. The association is invited to bring another proposal to the table.

Bruce said he would. The plan shows an excess for current year over, and that's a good thing. Why require a 9% increase if you don't need it? That money could have been used for salaries. Next year Bruce said that he would ask for that money for salaries.

Bill stated that we're not going to allow the district to get in a bind like was done in the past.

Sarah stated that HIC from past made recommendation based on plans. Twice recommendations have been brought back here. We essentially come to robust conversation. There were 6 proposals on one sheet. This process started back in Oct/Nov 2015. We looked at funding, etc. to have proposals made. Data was gathered. Committee members made unanimous decision to bring to bargaining to determine that what we have done is not fruitful. We did not do this last year at bargaining table. It was not ever disclosed until this last time that we need to bring it to the table to discuss further. We continue to come back here and say this is not something we can live with.

Pat stated that she made it clear more than one time that a recommendation was contingent upon an agreement on all economic issues. How much premium is based on how much money is available. A recommendation is not a waiver of the union's right to bargain at this table. It is a joint recommendation meant to facilitate bargaining. It is HIC's agreement to move forward to bargaining. It was never a waiver to have discussions at the table. The recommendation is contingent on what is available to bargain for salaries.

Sarah said that the subsidy for spouses has been the sticking point.

Pat said it still is.

Sarah asked, what is the sweet spot that allows this to happen? What are we doing in the HIC?

Pat said, don't be confused. You know how bargaining works. We made a recommendation without knowing exactly what funding is available.

Rebecca stated that she told Pat what is available.

Pat stated that that amount is negotiable.

Bill read the language regarding the HIC from the contract. He stated that the parties agreed that we have to look at spouses. He believes that HIC has done their job.

Pat stated that the union never agreed that this is the solution for bargaining.

Sarah said the work of the HIC feels fruitless.

Pat said that it would be too cumbersome to do the work of HIC in bargaining.

Bill said that the committee has fulfilled their recommendation. Bruce may have another recommendation to bring back at a later date.

Language

Bill stated that the association talked about rolling the contract for another year. District's team is fine with that for another year.

Salary Scenarios

District reviewed MEA's salary scenarios and stated that the amount of money available in the budget is contingent on health insurance. Rebecca stated that \$5.1M is for the MEA bargaining group. Health insurance would contribute another \$4.6M over and above what they spent last year. That's 66% of \$4.6M. 2.5% on table for salaries. 3.036% is proportionate share for MEA bargaining unit (just teachers). 1.5% pay enhancement across the board.

Bill stated that the district's team looked at the salary scenario, and that there are 2 fundamental differences. MEA concept presented has a performance and a GF schedule. All AC would be on the performance pay schedule, and all PSC and CC are on the grandfathered schedule.

Bruce stated that he doesn't agree. There is a caveat. AC teachers have to be able to be evaluated. An AC teacher who is not evaluated has to be on the grandfathered schedule, and that's in law.

Bill stated that he provided Bruce with the court opinion regarding the Broward county case that stated that teachers hired after 7/1/14 have to be on the performance pay schedule.

Bruce stated that the legislative intent was for them to be on the performance pay (PP) schedule. Regardless the concept that teachers on PP schedule would receive the same # of steps as teachers on GF schedule who were E or HE. Teachers who were E on PP would receive a lesser amount. Bruce stated that's consistent with law.

Bill stated that the law requires that HE teachers on PP get \$1 more. The district's position is that teachers on the GF schedule should receive higher amount than E on PP. HE on PP should receive a \$1 more than HE on GF. E on PP and E on GF would receive same. Furthermore, PP calls for teachers that receive less than E on PP schedule are not able to get any increase. That would carry forward to the GF schedule. HE would be rewarded on either schedule.

Bruce agreed with Bill's statement that we have a difference in opinion.

Bill stated that the district appreciates the association's concept as far as the number of steps, but the district can't afford that number.

Bruce stated that the union believes the district can. MEA believes the only reasonable scenario is to use that to get to the tipping point to get this ratified. Bruce stated that all employees on the GF schedule would receive 6 levels. The union is not interested in following statute for PP for the GF schedule. The union doesn't believe this district is prepared for that kind of differentiation. The union is only interested in complying with law as it relates to differentiation on the performance pay schedule. If the schedules were changed by \$2 it will always show up as \$1 more. PP – HE – 6, E – 4. Bruce used the numbers that we were given last time for PP. The issue regarding those rated less than E is not in law for the grandfathered schedule. District previously agreed to hold harmless and treat as effective. Longevity supplement for 16 and 25 years. Took care in prior negotiations. That would not be a great impact because a small number would get that this year. Those who were eligible already got that bump last year. The union also included a para proposal of a minimum 3 step movement; \$0.25 per hour increase; \$750 for those at top. The purpose is to start moving those at the bottom of schedule up so those will see a higher paycheck since a great number are near the poverty level making less

than \$20,000 year. There are impacts for those at the top of the schedule, and that's a small number. There are 39 individuals on steps 20-25. Half at top and would not receive step increase. The union is attempting to mitigate health insurance concerns.

Bruce stated that he reviewed the district's tentative budget. It shows that the district has been reducing the number of employees over time. The budget shows large cuts in instruction while there are increases in instructional technology and community services - \$11 million more. Bruce stated that he is not sure what's in there and that he has never seen a district have that much in community service. If \$11 is misplaced it can be used for salaries.

Rebecca stated that \$8.5 million is for salary and benefits yet to be negotiated.

Bruce asked if this was from savings from combining ORBS and RGES.

Rebecca said that savings won't be realized this year because ORBS can't yet be demolished. There will be savings but not nearly \$1 million.

Bruce stated that he believes there are sufficient funds to fund this proposal.

Rebecca stated that the district is releasing \$2.5 million to hire teachers. The district doesn't allocate out to schools until they realize they need additional funding.

Bill stated that new dollars coming in from state are 0.98%.

Bruce stated that he is aware of where it is.

Rebecca has clarified that there is more going in to salaries than money we're getting in from the state.

Bruce stated that he'd be happy to entertain a counter proposal.

MOUs

Revised MOU on the Modified Instructional Week (MIW).

New MOU on Title I Teacher and Para Incentive Pay.

MOU on 5-day advertising period. Bill stated that this was helpful this past year.

MOU on perfect attendance. Michele is working on statistics.

Michele stated that the new ERP system won't calculate retirement.

3-year MOU. Bill said that Deputy Supt. Saunders has sent an email to Pat. Pat agreed with Bill's statement that that will be a subject that Pat and Saunders will discuss and work through.

Bill stated that the challenge is that our concepts are different and asked if we had any other ideas to accomplish what the district's ideas are. He thinks that there will be teachers on GF schedule who will be concerned.

Bruce said that teachers understand clearly that if they are HE and get the same as PP on HE. They recognize inequities in system.

Bill asked about Pinellas' schedule and if it was similar to what is in Manatee.

Bruce stated that Pinellas' schedule is more similar to our old schedule. They are in the process of negotiating right now. For PP they use a formula based on dollars agreed to for HE and E. The structure in Manatee is different. They too are following the law. The step value is different in different places. They use \$1 more than maximum step value. Bruce explained how Pinellas' salary structures have worked in the past.

Bill stated that this is all of our work to get an agreement. We need to look at how we can work together until there are changes in law and State Board rule. Bill stated his desire to work together with the association to meet intent of law.

Bruce agreed that we want to meet the intent of the law yet not exceed it or think we're buying in to law. Bruce stated that he has negotiated PP plans for 25 years. We know that they are not effective in how the state has done it nor are evaluation systems reliable. The union certainly doesn't agree that those who are rated 'developing' should be penalized for being new to the profession. The Broward court case is moot if a teacher doesn't have an evaluation. Should we leave them without a pay increase because no one has figured out how to evaluate them properly? Those are the places where we differ. What happens if a teacher is not evaluated? Does the district want to be in that place?

Bill stated that the evaluation committee can look at that.

Pat stated that we have been looking at it constantly.

Bruce stated that to rely on state VAM is problematic. He stated that he would not have made the proposal that he made if we weren't in this together. Bruce stated that he proposed what he thought could get ratified. There will be people who will ask how we can agree to this if they are left with hundreds of dollars in the negative.

Bill stated that there are not much options that anyone has. Not going to get better unless we address those individuals in Tallahassee.

Bruce stated that he doesn't want to argue philosophical issues that legislators make that don't make sense. Teachers are financially losing pace with the rest of the world, and there are recent studies on this.

Meeting adjourned at 5:29 p.m.

Next meeting: Wednesday, September 7, 2016. 4:00 p.m.