

MEA Bargaining 2018-2019
Session #1

Tuesday, September 18, 2018

Those present: Pat Barber, Cory Bernaert, Scott Boice, Sarah Brown, Linda Bryan-Beachler, Kara Carney, Willie Clark, Annette Codelia, Melissa Cohen, Jacob Davis, Heather Jenkins, Helen King, Brian Kirchberg, Melanie Newhall, Bruce Proud, Sharon Scarbrough, Lesli Strickland, Marlyce Stringer, Tammy Taylor, Bill Vogel, Doug Wagner and Dawn Walker.

Caucus began at 4:45 p.m. Meeting began at 5:39 p.m.

Agenda

Team introductions
Minutes and understandings
Scope of negotiations
Insurance
Budget presentation
Remaining millage funds
Negotiations calendar
Data Requests

Team introductions

Bill said he was pleased to be back working with MEA. Bill asked Bruce if he wanted to add or change anything to the agenda. Bruce asked that data requests be added. MEA and management bargaining team members introduced themselves.

Minutes and understandings

Bruce said that he likes to have consensus that minutes are consistent with what was said and that the minutes reflect that. Dawn takes minutes and would be happy to do that for group. Bill said he liked how it was done with the past with Dawn taking minutes, forward to team, get back with clarifications and distribute at the next meeting. Sharon will also take notes.

Bill stated that he likes it when we verify work and understanding. It's possible one of us might be wrong on calculation. Don't want to put out proposal that is less or more than we can afford. With Jacob and Heather and others we have come close to numbers.

Bruce stated that we don't always use the same data. Understand differences and what they may be. Strive to have close to same numbers as possible.

Bill stated that he wants to get back to everyone having an understanding of what happened at the table. There will be some cleanup to do outside of the table.

Bruce said that it makes sense to talk about implementation before leaving negotiations.

Scope of negotiations

Bill stated that salary and 2 sections of language are open for negotiations. He stated that he was not prepared to talk language today if we talk about it at all. He stated that the last time he was here there were major challenges which caused the board to go to the voters and ask for millage. He commended MEA and the district for getting millage approved. Districts across the state are forced to do what we're doing here. 10 districts approved millage or sales tax. We did the right thing. Board members got behind it and you all passed it. Had insurance issue and we worked together. Health insurance comfortable with what we've got. Strong B district – commended teachers. Raised bar with that and other measures of success.

Had a zero fund balance. Have worked through that. Increased bond rating. Got schools financed at decent rate. Most audits have been far improved over ones of years ago. Starting year with superintendent who is supportive of teachers. District is moving in most positive direction. Not going to talk about ERP right now. Would like to have Heather bring us up to date with budget this year, money from Tallahassee and prepared to give starting and ending point, a number, not a lot of money we received.

Bruce said that he wanted to be clear that these negotiations are for paras and teachers. Don't want to lose that in any conversation. Your conversation was more about teachers than paras.

Bill said that he absolutely agreed.

Bruce said we are one team representing both bargaining units.

Insurance

Heather stated that the board made additional contributions to the health insurance fund 15-16 and 16-17. Moved to pharmacy coalition for better pricing. Adjusted spousal contribution which reduced covered lives. Provided steerage to urgent care instead of emergency. In January 2019 moving post 65 retirees to Aon Medicare Choice health plan. The health insurance fund still has over 90 day fund balance. \$1 million in savings we could work with.

Bill said that it was an accomplishment to not get rates judged by national trends. The option to move over 65 retirees benefits the individuals and the health insurance plan.

Budget presentation

Heather began with a comparison between the 2017-2018 fourth calculation compared to the 2018-2019 second calculation. District enrollment is projected to increase 219.38 unweighted full time equivalent (UFTE) over 2017-2018.

In April the fourth calculation is released. That is what legislature bases their funding on for next year. That

goes into first calc. conference report. The second calc. includes tax rates. Comparing the April calculation to July first calculation the legislature increased the base student allocation (BSA) by only 47 cents this year. It is one of the lowest BSA provided in a non-recessionary year. Total potential funds for the District increased \$5,374,816. Safe schools allocation was increased \$1,547,532, and funds must be used to hire additional school resource officers (SROs). The total cost for SROs, the guardian program and off duty officers is \$4,169,157. Bill said that the district has to use \$1,919,325 to meet requirements of statute 7069 to provide a guardian in every school. The district was hoping that state funding that has been unspent would become available and that the district would have flexibility for operating or capital, but at this time it does not look promising. Even if funds were released they would have to go into hardening. There is a mental health allocation which the district is required to submit a plan for use of the funds. The allocation is \$1,171,919. Teacher lead increased \$143,927 for teachers to purchase supplies at their discretion. \$714,374 increase in FRS rate to be taken on by district. The required cost increases in the FEFP total \$5,172,179. There is about \$202,637 more in new money from the Florida Education Finance Program (FEFP).

Bruce stated that your health insurance budget is showing a reduction of \$3.789 million.

Heather asked in which piece?

Bruce responded premium income.

Heather asked, did you get numbers from final budget book?

Bruce said yes.

Heather said that they meet with actuaries, look at claims, enrolled members and the actuary lets us know what actual budgetary needs would be. We have a drop in enrollment. After developing budget book look at experience and we have savings above this number.

Bruce said there are two categories – the amount the district pays in premiums for employees which has gone down and the change in the over 65 individuals because they would not be paying.

Heather stated that the way we develop that is consultants look at the numbers. We have a little bit above this.

Bruce said that these are compensation dollars over time and created much strife years ago when increasing premiums. We see that as available dollars for negotiations.

Heather stated that the district has contributed \$12 million to the health insurance fund.

Bruce said that was negotiated and came out of salaries. We negotiated together including in impasse hearings. These funds were paid not by the district but by negotiations over time. Don't think of it as the district being generous.

Heather replied no, we're trying to relieve burden from employees.

Bill said that they realize it all comes out of the same pot of money. Glad you acknowledge that all comes out of same available dollars. We all agree.

Heather said, we do.

Bruce said that my point is that if there is savings it could be used for compensation elsewhere.

Bill – shift and instead put some on table. Agree with that.

Bruce replied, ok. My point is this money should be available for salaries.

Bill said that we have 1% for paras, 1% for teachers to work with as far as dollars we can utilize. To enhance schedule or any way to use that amount.

Bruce said that he reviewed the budget and has a lot of questions. Is 1% really available? Look at trends and patterns over time. Analyze budget categories. He said he tries to see where things change and find rationale. Considerable questions related to a couple major areas and some may not be as major. He says this is unique to district reserves for capital outlay and operations. District reserves for personnel costs are \$36,497,551, for operational costs are \$38,385,641 for a total of \$74,883,192 in reserves.

Heather said that the personnel costs are referendum dollars. She said that she reserved all dollars for referendum to keep intact by projects and put in reserves so when available it will be moved to allocate it out. Operational costs are categorical funding – instructional materials, supplemental academic instruction (SAI), juvenile detention center (JDC) funding – and was budgeted out into our cost centers. Hold 20% in reserves. Fluctuates from calculations discussed earlier. Don't want to allocate out and then take from schools. Hold IB, AP, AICE funding. Because of new legislation the district only holds a little bit and the rest goes to schools.

Bruce asked, is the \$14 million in transfers from capital in budget that would be part of reserve?

Heather replied, yes.

Remaining millage funds

Bill said that he was impressed with how Heather is tracking millage spending. This is important because of the agreement MEA reached which is favorable. It requires that dollars be reallocated to 51% to teachers, rest to paras. We won't know until July how much. Have to decide how money distributed. It won't be a difficult issue to resolve. But what is happening is people are already asking the question. Audit committee starting to ask. Before finish at table he would feel comfortable if we decided so we all know what is going to happen. Heather will account on a monthly basis how money is spent.

Bruce said that he appreciates it. It does require constant attention, especially in this district where the referendum funding involves a mix of time and supplements and other categories. Appreciate separation of funds.

Bill said he was not aware of other districts reaching agreement with how to use unspent dollars.

Bruce said that other districts do have it.

Bruce moved on to the Manatee County school district budget at the school level. At the elementary, middle and high school levels the personnel and operational budgets have been decreased. Almost an \$11 million reduction in personnel costs and about \$7 million in operational costs. The budget looks more like 2 years ago than last year's numbers.

Heather said that a portion of it is reserves. SIPS funding. Saturday school funding. Remediation funds. Schools have to submit plan for those funds, and once plan is approved by executive directors funds are distributed. Some staffing went down based on formula. Have work plan and work book to generate what we need. No position is double counted or duplicated. Ensure right number of positions. Small decrease in funding.

Bruce said there are sizeable reductions in what has been budgeted for schools. In previous year had excess at end of year in the annual financial report (AFR). Wanted to know how it was being approached.

Bruce went on to identify other departments. There are quite a few significant changes, may not be in dollars but in percentages. The deputy superintendent of instruction increased by 113%. That's an increase of \$347,258. That is double what was budgeted in previous years. Adult Career Technical Education (ACTE) increased by \$3.5 million.

Regarding the EDEP program Heather said that the estimated revenue and expense was placed in 3230 (MTC). Has since been moved out to schools. Program is managed by cost center. Heather stated that she has variances explained by cost center.

Bruce said it would probably be a good idea for him to review the variances Heather noted. He identified almost \$14 million in variances.

Heather stated that the budget for the deputy superintendent of instruction included an allocation specialist whose position has been revised because the scope of her job has been increased. It also includes professional and technical services, dual enrollment, community based tutoring, it's your choice grant . . .

Bruce stated that those don't add up to \$347,258.

Heather stated that she was not finished.

Bill stated that Heather has tried to hone in on budget. It's good to have someone like you ask questions.

Bruce said that he's just happy to have answers.

Bill said that management will provide explanation and summary.

Negotiations calendar

Bill said that management's team was available tomorrow but he will not be available next week.

Bruce said that MEA's team has no problem meeting tomorrow.

Data Requests

Bruce stated that he appreciated getting responses we got. We got many answers, some are not complete. We may have more requests. It's difficult to get all supplemental data. We got some. Some are related to degrees or classifications. No supplemental schedule information is included in data.

Heather stated that she thought it had been provided.

Bruce stated that we did not get any from supplemental schedule. He said we got some that we didn't need. Just looking for sense of what that budget is now and what those amounts are so we can work on that issue.

Bill asked, do you think we provided longevity?

Pat/Bruce replied, yes, we got some.

Sarah concurred that they got that.

Bruce restated that he was looking for data on supplemental salary positions.

Bill stated that management will get copies of whatever is needed.

Meeting adjourned at 6:31 p.m.

Next meeting Wednesday, September 19, 2018 at 5 p.m. in the SSC.