

MEA Bargaining 2018-2019
Session #2

Wednesday, September 19, 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 4:50 p.m. Meeting began at 6:08 p.m.

Bruce stated that he modified the agenda to include budget information from yesterday. He stated that he was good with that including the 10/1 date.

Agenda

Budget ▪ Bargaining unit numbers ▪ Data requests ▪ Salary issues ▪ Next meeting - October 1st

Budget

Bruce thanked management for the information and said it is useful to have background information. It helps explain what's going on in district, things impacting the budget and priorities established in the district. Having this information is much more helpful than asking Heather to explain them all. Deputy Superintendent of instruction was very clear - IB marketing, AP summer camp. Executive Director 3090 and operational costs – money moved from categorical for online programs. Why move from reading categorical fund to general fund? Why choose to do that?

Heather stated that she could get more detail. Reading allocation changes each year. Have various programs paid from there. SuccessMaker and turn it in were paid previously. Priorities changed.

Bruce asked about research and assessment, particularly Write Score software and printing increase.

Heather responded that the district switched to new software system, new copiers. Assign all printing to all specific cost center with ID badges. More accurately coded. Research and assessment has new initiatives, new training, that would explain increase in budget. With ERP printed lots of materials to help understand things.

Bruce asked about the increase in use of Write Score software.

Heather said that she would have to look it up.

Sharon replied that yes, vendor usually initially gives a lower rate.

Bruce asked about the increase for SAMP 8 hour day and pay increases.

Heather stated that SAMP went from 7.5 to 8 hours. All schedules here are for 8 hours to service schools.

Bruce stated that the additional money is coming from the general fund and not taken from referendum funds.

Heather responded yes, it's not taken from the referendum. It comes from the fund paid.

Bruce proceeded to ask about vehicle parts/maintenance – parts and uninsured motorist and towing. Doesn't seem to make sense what's going on. Why the increase? Why coming out of general fund?

Heather stated that a lot of it is deferred maintenance. Some is not eligible to be capitalized. They follow a maintenance schedule. This is for anticipated repairs that will occur this year.

Bruce stated that you are moving parts out of being funded in capital to general fund.

Heather said it depends on the dollar amount. Moved engine back to maintenance and operations based on equipment in area. Based on where equipment is repaired.

Bruce asked about line 3230 adult school. Why are budgeted costs in after school if paid by parents?

Heather said it is recorded in separate projects in general fund. Revenue is estimated from EDEP. Anticipated enrollment and expense equal to revenue. Once school starts move budget out to schools. Quarterly review is conducted to ensure correctly estimated.

Bill stated that the program is self-supporting.

Heather said, yes, they do a reconciliation. All funds are contained.

Bill stated that any additional dollars stay at the school.

Heather said that a portion stays at the school, a portion is for administration of the program. Employees have a lower cost to pay. It benefits the school.

Bill asked if this is the first time there is a reduced cost.

Heather said that it is since she has been here.

Bruce asked about property and liability insurance. The increase is sizeable. Is this all paid out of the general fund?

Heather said that part is transferred to capital. Transfer for eligible costs.

Bruce asked, how much is transferred?

Heather said, I have to get that for you.

Bill stated that was an issue for many years. They finally agreed you could pay out of capital?

Heather replied, yes.

Bruce said the state gave the district 47 cents and you're talking about \$500,000. They restrict how much you can raise locally when you have a half mill increase in property and liability insurance which is probably because of the hurricane last year. It makes it hard to budget. This is good to know for our lobbying experts as well.

Bill said that the board members should hear that as well. In one area we have that big of an increase. Total was only \$225,000 over last year in new money and here we are \$500,000 in one area.

Bruce said that diesel fuel is another area. With that it's almost \$1,000,000.

Heather said that \$2,200,000 can be capitalized. That's what's budgeted.

Bruce asked about line 5200 information technology and rentals for \$1,000,000. There was no attached list but the note said there was one. Additional \$325,000 for cell hot spots, data lines and other telephone issues. Increased from \$485,000 to \$662,000 and now nearly \$1,000,000.

Heather said it is part of E-rate. They changed the way they do billing. Have to pay upfront and get credit. Getting lower credit than prior years due to changes in the program.

Bruce asked, how much?

Heather said it depends. We submit charges and they review it. Actually the district has an employee who does this. It's very complicated. I can get info if you want it.

Bruce asked, are these things required? New? Prioritized in some way?

Heather said that the software is software we have had. There are increased costs. Rates do tend to increase every year. ERP increase. Federal tax increase. Spectrum is internet. Discount 80%. Verizon phones used by district employees. Most are in the field and necessary to maintain connection and function in jobs.

Bruce asked, what is not attributable to E-rate is not in general fund?

Heather replied, yes. It's operating cost.

Bruce asked about line 6140 human resources. There are increases but no notes. Purchased services. Professional technical services. Health insurance increase.

Heather stated that is due to employee increase. Health insurance is relative to salary increase. Can get you professional technical and other purchased services.

Bruce inquired about line 6141 professional learning. Best and Brightest – changes in budgeting and coding. What's happening? What is being deducted in one line is significantly less than what is added in another line. Is this all from the general fund?

Heather responded, yes. All from general fund. Best and Brightest is a grant – general fund grant - revenue equal to expense. Grant funds are categorical funds. Have to be spent on specific categories.

Bruce asked which grants are included in department budgets?

Heather said it depends on the type of grants. Social security budgeted there. Reports good. Can see variance. Can drill down to line of coding to let you see pieces. Good to show upfront variances.

Bruce proceeded to inquire about line 6103 staff attorney. Increases over previous budget and expenditures for outside attorney and anticipated litigation. How do you anticipate that? Sorry you may not be able to answer that. Probably rhetorical.

Heather said, yes, it's a guesstimate. Not something you can accurately estimate. Guess is based on prior history.

Bruce asked, how does that get budgeted?

Heather said you look at trend. Look at cases. Confidential. Look at possible judgments. Estimate provided by legal. Zero based budgeting. Give list of what provided last year. Justify what spent. This is how this is developed.

Bruce commented that there are a number of things that are priorities. Some not always seen as priority to other people. Does it need to be coming from general fund? Does everyone given cell phone need one? How do you make decisions of who has a cell paid for by district?

Heather said it's mostly maintenance. Recently provided board members with cell phones. District has reduced the number of phones over the years.

Bruce said look at what in our view is available to look for as solutions to negotiations. Final budget grows \$9,000,000 more than what you said you would have. Not really seen as credible from simple budget presentations. Now have numbers that show that's not true. At end of budget process budget money left over. District says money not available. After years of going through deficit budgets – no steep movement, reduction in pay, budget has more than 3% now up to 6.4% at end to bring into new budget year. That's not what you call reserve but that's what you bring forward. 1% hard to see as real credible number. That's what we're going to say. You know where end of last year was and you are preparing AFR. When is that available?

Heather said the Annual Financial Report (AFR) is complete. It will be approved by the board at the 9/24/18 board meeting. Combed through school staffing plan. Cleaned school budgets up. View as attrition. Dove back in. Corrected areas. If you look at AFR you will see that.

Bruce said, I track the AFR very closely.

Bill said it should be cleared up and we should be a lot closer on AFR.

Bruce said to Bill that he was not sure he is as confident as you are.

Heather said she is still reconciling.

Bruce said he had no more questions. Thank you for your openness. I appreciate it. Bruce said I don't think the board members go this deep in budget presentation.

Heather said we go this deep in operating workshop sometimes.

Bargaining unit numbers

Bruce said that he wanted to get a sense of where we are. You provided a spreadsheet of where individuals are on the salary schedule. He used the data to determine how much the bargaining unit costs to get a total cost of unit and get sense of what it will cost for each level or step they use. Use numbers provided by you in my spreadsheet. In past we have had trouble, trying to avoid that by having this conversation. When develop proposals good to use same numbers to have agreed upon numbers. I know it changes every month but make projections of what we think it is going to cost. Thank you for data of who will be eligible for longevity at 16 and 25. Got that. Got supplement, may include athletics.

Sarah said it does not.

Bill said athletic supplement data will not be available until after next payroll.

Sarah said yes, it's still in works.

Bruce said that's fine. Just want to know when to expect the data.

Data requests

Bruce said I've used previous year data. Just want to have agreement. When we reach tentative agreement (TA) want to agree these are the numbers.

Bill said we talked about that and know it's a priority.

Bruce said he is using a similar type of spreadsheet for both bargaining units.

Heather - \$2,150,000 for school level and athletic supplements. \$1,700,000 for supplement reserve. \$400,000 for school part-time hourly reserve.

Bill said that number has been fairly consistent.

Heather said it has been \$1,900,000.

Bruce said that is a more complicated question. This district has a history of not doing anything about supplements over time.

Bill stated that some teachers receive supplements for highly effective (HE) and effective (E) evaluation ratings.

Jacob said he wants to map to date started and HE and E.

Bruce replied, great. That would be helpful.

Bill stated that by October 1st he hoped to have good numbers. Payroll is working on it now. Good to cross reference. Try to nail it down on 10/1.

Salary issues

Bruce asked, what is behind the issues? What is important to district if we are going to make changes to categories? Like moving SAMP to 8 hours. Someone thought that it was important and set aside funds. We had similar concerns about some who work 7 and ¼ hours and don't have paid lunch. They are not going to be pleased to hear that SAMP has 8 hour paid day. Haven't talked about it but it has become an issue. There are a number of people in the aide category.

Bill asked Bruce to please go back and explain.

Bruce said that TA which is the aides classification gets paid on 7 hour day + ¼ hour for referendum but work 7 ¾ hours because of unpaid lunch.

Bill asked, aides have a 30 minute unpaid lunch?

Bruce replied, yes. Correct. It has been a longstanding issue. Other classes within bargaining unit are paid for 7 and ¾ hour day.

Bill said we have teacher assistants, APL. Talk about that.

Brue said they are paras but typically classified as teacher assistant not teacher aide. Need certain experience to work with certain students.

Bill said they need 60 hours or pass a test. Assistants need 60. Aides have to do ParaPro?

Sarah replied yes.

Bill asked, APL?

Bruce said they used to be parent liaisons. Now behavior technicians. 7 and ¾ with duty free paid lunch.

Bill replied, thank you. Not aware. Will take that back.

Bruce said their schedule is based on steps. There are 23 steps. Eliminated step 0 last year. Some people are above 23. Maybe 2 people. Not on schedule but were on top of schedule. Issue at the top of schedule. Who they are, how many and how we compensate? Typically got a percent for those at top.

Bill said for teachers we've added steps.

Jacob said that in PeopleSoft you have to add steps.

Bruce said we will have to have a conversation about steps as they occur. Data provided has up to 25.

Bill said we have not had an issue providing increase to those at top of scale. Don't anticipate it being an issue.

Bruce said that for paras in recession in bad budget years they didn't receive steps. Were frozen. Reduced in pay. In the midst the state allowed for adjustments to teachers but not paras. Hard to provide increase in those times. Challenge is that those people see themselves as behind. Last year they received 2 steps as opposed to just one. Still don't feel caught up to where they were or where their experience is on schedule. One step is about 2%. Pretty heady issue. Not a lot of money for any. Average pay is \$18,800. Average step \$318. Varies from 15 cents to \$1.45 an hour. At the top there is no differential. Variable rate of a step has not been an issue. Creates inequities in bargaining unit and what it costs to move a step. Last year we did cents per hour. Was not sufficient to move 3 steps to move them up. 2 steps plus \$0.15/hour. Average increase is \$0.28. Calculation of pot and overall number of people.

Last year you eliminated bottom to raise hiring rate for individuals. 192 at step 1 on TA6. \$11.63/hr. Not a high rate of pay. Not a livable wage. Not a proposal. It is an issue we raised, discussed and agreed upon in past. \$10.79 is lowest rate.

Bill asked if there were only 3 schedules.

Bruce replied that there are 3 schedules but 4 different lanes. On the assistants there are levels to incent to move from one level to another; however, the rules changed. Some incentives were based on education. Requirement went away and changed the incentive.

Bill asked, do you have a recommendation?

Bruce said he is looking for simple rather than complex. Looking for a creative solution and finding a way to bring up paras who feel they are behind.

Bill asked, how many steps behind?

Bruce said they are still 3 steps behind. 2 steps behind plus this year. A number of years they struggled and went backwards. It is difficult for those with dependents since premiums increased. They would like to have health insurance they can afford.

Bruce continued by stating that the teachers' schedules have their own uniqueness and complications primarily because of state law. There are 2 complete salary schedule divides. That has been negotiated over time. Try to comply with law. New hires are on the performance pay schedule. The number of those on that schedule is increasing. The number on the grandfathered is decreasing and will continue until no one is left. Bulk of lower salaries are on the performance pay schedule on the lower levels because that is where they're being hired. The hiring schedule has limitations as well. Most are below step 13. Now we have a new wrinkle with ERP. Have to come up with agreement with what to call them. Levels 1,2,3 a,b,c, and now on check stub grade and step as being 2 and 1,etc. which is different than the approved schedule. Created another issue of what to call places on schedule.

Sarah stated that a,b,c became numbers. 3a would be 3,1. Letters replaced with numbers.

Bruce said that the terminology is not consistent with the contract. Want to come up with agreeable terms so they are not conflicting. Would like to simplify but that would take money. We used the term 'levels' because moving away from step advancement and law prohibits step movement.

Bill said he was open for suggestions.

Bruce said MEA would like to know before things change.

Bill said he can see why there are a lot of questions.

Pat and Bruce said we couldn't even answer questions because we didn't know until people brought us their paychecks.

Bruce said that it is the same issue for both schedules even though we tried to be consistent in language.

Bruce said that there is another issue on the performance pay schedule. Only move through schedule based on performance. HE on performance pay schedule must receive more than any other teacher on any other schedule. That created an elongated schedule. Eliminated bumps in old schedule where there were sizeable increases based on experience as much as \$5400 that would in your budget prohibit you from being able to pay the HE teacher at least \$5401. Next, E teachers are eligible for raises of 50-75% of HE. For a differential added \$2 to one schedule. Changing schedule is more complicated than it sounds. There is an ability to do cost of living increase (COLA), but there are limitations on what you can do. COLA can be no more than 50% of what E teacher receives. Less than E not permitted to get increase on schedule. Nothing prohibiting them from receiving COLA. Has not been challenged. Has been done in other parts of state and has not been in violation of law. Those hired after 7/1 had to be placed on performance pay schedule. Degree supplements could not be part of schedule. Had to separate in some way from salary schedule and could only be granted if in area of certification.

Bill stated that's why you broke it apart last year.

Bruce replied, yes, that's why it is broken out on the performance pay schedule. Also have 11 month schedule for those working longer work year. 2 separate schedules based on length of work year.

Bill stated that was a challenge. Thank you for review. Did not have a choice, by law had to do it.

Bruce said there is a differential in levels. Were attempts to keep it uniform. Either \$303 or \$302 depending on where you are on schedule. One lesson haven't figured out is that is has about 100 levels. Doesn't sound like it but as we continue it is going to have more until we reach a place with no one else moving.

Bruce said we need to know who is E, HE and less than E to make calculations. At some point we need to agree on what data we are going to use. I used prior year.

Bill said I think we have a couple of years' track record to help us know. Probably have to use projected data.

Bruce said if we have data it would be helpful to know.

Jacob said the district has the data broken down by paygrade from JDE. Reconciling with PeopleSoft data. If you would be ok using data from JDE.

Bruce said it's a place to start. Other issue on performance pay schedule is related to degrees. Masters is \$907. Now calculated based on referendum. To do that number based on changes. Specialist is \$3325 and doctorate is \$5743 for 10 month employees prior to referendum. That is another issue. Numbers that exist in schedule versus number that exists in referendum schedule. We have a schedule to maintain regardless of referendum. For next 4 years we have the referendum but I think we should work with regular schedule first and then figure out what is the impact on referendum to do that.

Bill asked Bruce to clarify.

Bruce said that if it is changed in any way it would impact referendum. Teachers recognize masters is a very small amount. Not sure it an issue for this negotiations. Trying to figure out how to pay for master's degree on \$900/year. Draws up issue of how to think about small things and how it relates to referendum and how going to complicate. Don't want to assume we will always have the referendum.

Bill stated that there has been legislation to increase duration of referendum to 10 years. It's going to take all of us to keep that.

Bruce stated that the grandfathered schedule has same issues although it doesn't have all the requirements of evaluation thrown in. Anyone less than satisfactory would be excluded from receiving level increase. Still permitted to have degree as part of schedule. Still want bachelor, masters, specialist, doctorate and 11 month schedule. That is 8 schedules plus referendum schedules. All with same level and same differentiations. Makes it a little easier to calculate increase.

Bill said to clarify on the performance schedule if less than effective, no increase. Grandfathered if less than satisfactory, no increase.

Bruce said, correct. Unsatisfactory on grandfathered. On grandfathered there are still some people on levels 2 and 3. Since 2011 was more than that time ago we have to rectify why they are on the grandfathered schedule. Some on 4c and 5a. The bulk are on 6 and above that which is where they would be on 2011.

Jacob said we can provide reconciliation.

Bill said to Bruce, you did not bring up teachers who volunteered to move to performance schedule.

Bruce said no, I didn't. Don't know who volunteered or when. But they are permitted to move from grandfathered to performance with the caveat that they must relinquish their professional services contract (PSC) and go to annual contract.

Jacob said he thought there is only 1.

Bruce said that he hasn't asked for that data. Other issue – have to get back into supplemental salary schedule. Not necessarily in bargaining. Have to make sure supplemental schedule fits and matches economics and data

from other places. There are positions that are new and not compensated, and there are positions on there that are no longer paid.

Bill said that topic would be good workgroup. Need to make sure we move forward. Oh, ok, you all got it in the contract.

Bruce said that based on data we have calculated number on spreadsheet that were attached to a level and a schedule from current data. 2862 total. 1641 on grandfathered, 1221 on performance pay. This probably includes those on leave. Want to get agreement on numbers. Includes 11 months as well and all schedules.

Bill - 8/21 report?

Bruce said yes. Some did not have annual pay rate or level so did not include them on list.

Bill said we are closer than we thought. Should be able to get closer than that. Feel better that we are that close for now.

Bruce said that the differences in average schedule is \$11,000. Actual cost of salary schedule keeps getting less and less. Think it was designed by legislators. Average not changing at all over last couple of years. Not changing much overall. How much can do? People leave and come. Didn't change much. Even though gave 4 and 3 levels plus \$200. \$4.6 million with benefits. For benefits – 17.43%. Agreed on that for referendum. Salary attached benefits. Retirement. Workers comp. Health insurance. Health insurance – yes, in agreement. If there is some interest in board would like to hear before finding solutions.

Bill said that the district is always supportive of longevity. Will support longevity. Support teachers at top and paras. Finding funding at top of scales. There is a limited amount of money. We will still be consistent with what we said in past. HE on performance pay and E and HE on grandfathered receive same rate. Only differentiation would be HE on performance pay. Fine with continuing that if we have enough money to add levels to schedule in accordance with law.

Bruce asked, what about needs improvement (NI)?

Bill said whatever we had in past would stay. Not going to change.

Bill said, ok. Appreciate you going back and bringing up to speed as to where we are. New people on team. It is important that we lock in numbers to do calculations.

Follow up – No duty free lunch, effort to start looking at paras to bring equity, structural issue on schedule, get numbers together, launch supplement committee, probably won't be able to get closer on supplements.

Bill said he will follow up on these. Next session - hone in on numbers of paras and teachers then I think we can start looking at ways of addressing issues we've talked about within limited amount of money we have.

Meeting adjourned at 7:47 p.m. Next meeting October 1, 2018 at 5 p.m. in the SSC.