

MEA Bargaining 2023-2024
Session #3

Tuesday, August 16, 2023

Those present: Rick Bailey, Pat Barber, Cory Bernaert, Willie Clark, Ben Geiger, Silvana Ianinska, Derek Jensen, Helen King, Brian Kirchberg, Rob Lyons, Gina Malinak, Melanie Newhall, Bruce Proud, Joe Ranaldi, Rachel Sellers, Jon Syre, Bill Vogel and Dawn Walker.

Caucus began at 4:45 p.m. Meeting began at 5:31 p.m.

Agenda

Welcome • Teacher FTE update • TSIA Breakdown • Referendum Update •
Board Proposal • Health Insurance Solvency 2022-2023 • Next Session August 28, 2023

Vogel – Seems like enrollment is up. Real credit to schools and teachers. Other districts have more vacancies than Manatee. Again credit to MEA and all work we have done together.

Pat – We all worked for referendum. Every single one of us.

Vogel – Thank you, Bruce. Finance burned midnight oil for proposal. First, update on revised number of teacher FTE 3039 revised down to 2964. Positive benefits for referendum.

Proud – Is that a budgeted number?

Malinak – It's an allocated number.

Vogel – Some organizations inflate that number. Appreciate team for narrowing that down. Second, TSIA breakdown – not critical piece of bargaining. We're going to spend TSIA anyway. We can move money around. Want to have Gina talk about money. Money is going to go to general fund.

Malinak – HCM Peoplesoft keeps TSIA in there. HB supplement based on house bill. Pull report that shows by individual teacher how much HB supplement they will receive. Pulled report. 1752 of current on board when pulled report. Before benefits is \$8,642,109. In addition. Maintenance COLA of \$150 last year x 2964 = \$444,600. So total maintenance – \$9,086,709 without benefits. \$11,128,293 with benefits.

Vogel – Any questions?

Proud – Got \$8.6M from 1752 teachers and that's 1752 employed now or last year?

Malinak – Pulled current list. 1752 is current teachers that receive HB supplements. Subset of 2964. Currently on board staff. If you go out tomorrow and hire on level 1 you have to pay them HB supplement of \$8720.

Proud – Different way of looking at maintenance. I would look at what you did this year then last year.

Malinak - 1752 from last year are currently on board this year.

Proud – What’s the number you started with?

Malinak - 48,504

Proud – Compared to what?

Malinak – \$48,586. More than happy to share.

Proud – Don’t need paper. Please send to me electronically. Sound like similar data to what I got previously.

Vogel – Thanks, Gina. Reducing number down to 2964. Management handout of referendum supplement. Teacher supplement up to \$8362. Para supplement up to \$2862. I know we’re working with payroll after we hear from you. What payroll would those start?

Barber – 8/25 is when everything is supposed to start.

Vogel – Next item – management compensation proposal. You had a \$1500 base increase but according to information we received we had a concern about across the board increases. We had a concern that we have to pay HE 25% more, according to sources I talked to. If we did any kind of across the board that would have to take place. We’re not able to go through with that. We have a counter by using COLA. With that we can add an amount to every step in accordance with COLA guidelines. Proposing \$414 COLA. Considerable increase over last year which was \$150. Prepared to add that to every step. Accept your proposal on performance on effective of 4 levels.

Sellers – Projected FTE is different though . . .

Vogel – Accept proposal on 5 for HE which is required to increase 25 % over GF and accept GF at 4 levels. Although it is an increase – we’re pretty much behind on masters degree. Going to move that up. As far as extracurricular and athletic, may not agree totally with cost figures. Recommend 3% increase for those individuals performing those supplements. As far as teacher retention, trying to get to a resolution on that. I do not have a proposal on that right now. Meeting with board on 8/22, a couple of sessions on that. Hope to have positive news on that. Have to go through that process before finalizing position. That’s why it’s not included on this sheet. It on hold.

Paras – very understanding of suggestions about differentiation on early steps where we had to compress. Willing to accept 5 cents to address that. Agreement on 1 step increase. Also, those at top we would treat them accordingly as we have done in the past. Increase hourly rate of \$0.25/hour for paras. Agreement with many areas proposed just 2 days ago. Hopefully you will see as making significant progress toward agreement. Want to cover insurance solvency for 22-23 because we want the team to understand challenges facing HI program.

Sellers – We now have 2690 teachers participating in health insurance (HI). For paras we have 688. Hasn’t been an increase in premiums to the plan for last 8 years. Health insurance fund balance has been slowly getting taken down. There are reasons why we didn’t have a premium increase. This year we saw a big spike in cost of

medical claims. Premiums that came in for this year 72% of premiums picked up by district, 26 % picked up by employees. Not enough. Self-insurance plan. Supposed to have 2 months' worth of claims sitting in the fund balance for the office of insurance regulation (OIR) to bless it as an actuarially sound plan. In May, the fund was only \$4M, no premiums in June or July but bills still come in. depleted fund balance. For rest of this year premiums won't be enough to pay for claims. That amount is \$7.5M estimate. District needs to put revenue in because there are no other sources. Taking \$7.5M and divide by total people from all unions and 5735 employees participating is a cost of \$1,307 per employee. District will contribute into that for each employee. It is a benefit to the employee. You are not going to see that, but it is a benefit to employee. Have to have reserve in fund balance. For 2 months claims is \$10M. that report gets turned in to state in December. Cost of \$1743 per employee. District needs to pay to keep HI fund. In 2015 district didn't do that and plan wasn't solvent. Don't want to do that. District needs to pay \$10M. just needed to let you guys know that was happening. That cost – solvency – \$4.4M for teachers and paras. The amount the district is putting in for teachers and paras is \$5.9M. District will pick up for the rest of 2023. Just wanted to let you guys know the state of HI plan.

Vogel – Had strong couple of years. With covid HI committee didn't recommend changes.

Sellers – Medicare increased rates 25%, which we haven't done.

Vogel – We wanted to talk about this, and we know MEA is very involved in the health insurance committee (HIC). All money is to shore up the plan. Could use for other purposes but feel it's important. Questions?

Proud – The bill that was approved – TSIA – page 3 (quote from conforming bill). That language says you have flexibility. Don't know how you're reading this paragraph and says it applies to performance pay. That clearly is before any of that language and is by itself providing flexibility to do so for funding appropriated above amount provided last year. How are they justifying something else connected to that? Sounds like they have left it up to district to decide. If they thought it applied to something else wouldn't they have said? Very clear it provides flexibility to the district.

Vogel – The rationale that we were told – anything that applies to base falls under that provision. Have to use in accordance with those guidelines.

Proud – Where does it say that?

Vogel – That's the interpretation I'm getting.

Proud – Amazing that these resources keep reading things that aren't there. Going to jeopardize whether we reach an agreement. Pretty hard to believe. On spreadsheet several places that talks to maintenance (GXC2) – what's purpose of having that?

Sellers – Each item has been increased for proposal. Masters is not just 500. Increase of \$500 but maintenance is 500, so both of them together. Don't mention increase without mentioning supplement.

Proud – We're not negotiating what's existing. Propose something in addition and show it.

Vogel – We have a different format, different way of tracking it.

Proud – Sooner or later we have to reach tentative agreement (TA). Don't see putting some maintenance items that aren't relevant unless it includes everything which would be pretty cumbersome. Just trying to figure out why you included it. And it's in there in a couple of different places – on the GF and assume it's on the PP but it doesn't say that. And it includes other supplements. 10 month specialist degree, 11 month spec, 10 mo doc, . . . Just trying to figure out purposes of having them on there.

Sellers – Just trying to list them because they were in addition to regular salaries. That's all.

Proud – Assuming all info on here was provided to HIC?

Sellers – They know about \$7.5M for solvency and \$10M for reserve.

Proud – Retention bonus - ESSR? What's that mean?

Vogel – Talked about possibly using that for retention.

Sellers – It doesn't mean longevity.

Vogel – It's an item we're willing to discuss.

Proud – Is it part of your proposal?

Vogel – Not right now

Proud – But it's on the worksheet. It makes it hard because I can't publish to members.

Vogel – Can go over it again; thought it was clear.

Proud – Says on top is proposal but you're saying ESSR is not part of proposal. On second page – paras district cost says increase amount. GF supplements maintenance.

Sellers – That's just a total from ones up above.

Proud – Not questioning accuracy of numbers just trying to make clarity of document and what it means and try to paint a picture. When you include GF maintenance and supplements it may confuse people.

Sellers – If you don't want maintenance line (inaudible) it won't be there either.

Vogel – I know it's a different format than you're used to. Comforting to me to see numbers that add up. Do best to explain it. Seem like we're in agreement with most items.

Proud – In paras 25 cents per hour.

Sellers – We can correct that. It has nothing to do with 25 cents.

Proud – In para line maintenance is total cost of salaries?

Sellers – That’s just the benefits of the rest that was going to maintenance. We were just accounting for it.

Proud – We want to know what it means.

Sellers – Last year had summary of payroll. Don’t need to have it there.

Proud – Can be confusing for teachers if it’s not on there.

Sellers – We can take it off. If we only want to show increases that’s fine, too.

Proud – You have it again on 2nd page.

Sellers – That is just total from up above. We can update and remove these lines to make it clear.

Proud – Last page in yellow – total referendum supplements \$29,784,968.

Sellers – That was probably . . . Look at balance for net distribution. That was particular total. Take supplement and multiply it by FTE.

Proud – The whole piece about the referendum is confusing. Not brought to bargaining. It was an MOU. If you want to bring to bargaining we can discuss.

Vogel – Think it’s critical to everything we do.

Proud – ESSR amount on there. Total cost district paid for HI benefits but no where do you have employee premiums.

Sellers – I can list that part.

Proud – I don’t want either part. It’s so complicated that I don’t want to complicate it further. It’s like the referendum, it has its own rules and regulation. Everybody needs to know what referendum is going to be and is part of a whole conversation about salaries. It almost needs to be in 2 separate chunks. Rather than trying to infuse. Could be things we want to bring up as well. I didn’t say we want to, but we may.

Vogel – Referendum is part of your proposal

Proud – You included as part of your proposal.

Vogel – Referendum is MOU driven. Working on getting it taken care of it. Want you to look at it and move forward.

Proud – And we want to do that.

Vogel – Important we work together.

Proud – When talking about HI it's important that we talk about what employees are paying as well. And knowing that employees are paying and district is not. You seem to want to take credit but not deal with the issue in its entirety.

Vogel – When we have situation like we have right now, one reason we can't fund it is because we have to take up money for HI. Almost negligent if we don't talk about what we have to do for this year. Putting substantial amount of money for this year.

Proud – Only the district portion is part of the picture.

Vogel – We're the ones putting the dollars in to keep it solvent. We don't agree on that. That's why we're not talking about anything else.

Proud – Could have distributed it as separate sheet of paper rather than confusing things.

Vogel – We have questions about supplements you proposed.

Proud – I used the number we got in TA and extended it out to 5%. May not be most accurate way. I'll look at your numbers and compare. Your number may be more accurate, and we may use it. Don't mind you questioning the numbers.

Vogel - And you can question ours. Feel comfortable with how our team put the proposal together.

Proud – I like to see the whole picture. Still have to explain whole picture.

Vogel – Comforting to see how we got to the numbers from where we were. Always ways of improving providing information.

Proud – We'd like to take a caucus and see if there are any other questions from someone other than me.

Caucus at 6:25 p.m. Reconvened at 7:24 p.m.

Proud – We discussed your proposals. No additional questions. Don't believe we have counterproposals at this point. Have to evaluate proposal and health insurance to see where we go next. Feel positive we can get to an agreement. We're prepared to return on 8/28.

Vogel – Thought we made progress, too. New format introducing tonight. Credit Rachel and Gina. Went back and revised format to address your concerns. Gina is going to go through to make it more easily understood.

Management Handout #2. Sellers walked through the revised management proposal.

Proud – District cost of solvency and reserve is calculated per person from total?

Sellers – Correct. \$7.5M related to solvency. \$10M for reserve. To get that particular amount. Divided by total number of people in program and multiplied by teacher and para FTE. 5735 total people in program. To arrive at 1733.68 multiplied by teachers and paras.

Proud – Any rationale to \$414 COLA?

Vogel – It's our initial proposal. It's in the budget.

Proud – This is much better, thank you. Appreciate the change.

Vogel – Number of new team members. Always able to get to numbers and agree where we are. Didn't hear anyone question numbers. That sets stage for successful negotiations. Think we made a lot of progress. Going to research statute as follow up. If any questions give us a call. Look forward to 8/28.

Meeting adjourned at 7:33 p.m.