

DUTA/DUSD Negotiations Summary

October 28, 2014

Present: Len Foreman, Ron Sherrod, Mark Kimmelshue, Karla Rigsbee, Alison Brigham, Sheyanne Shanks, Davis Van Arsdale, Beck Bill.

Budget Update:

Ron Sherrod presented a summary of the district budget. There is some improvement shown in the budgeted and projected Ending Fund Balances in comparison to Ron's report at the September negotiation session. There is an audit adjustment of \$173,688 for a prior year offset of negative LCAP funding. The projected Ending Fund Balance for 2014-15 increased from \$504,835 to \$721,807. The district is still projected to be in deficit spending, and while CBEDS/ADA counts look a little better, the district is still suffering from declining enrollment.

Ron's research regarding funds coming in for 2015-16 for Common Core Funding is inconclusive. The STRS increase is projected to continue to rise through 2018-19, and is estimated to reach approximately 16%. It is unclear how definitive this rate increase is, or how long it will continue.

Progress for 2013-14 Contract Article Discussions

Article 1 (page 1) Agreement

- Confirmed agreement on draft language September 24, 2014, and on a "term" of one year, July 1 2013 - June 30, 2014.

(Tentative Agreement reached between parties)

Article 4 (page 2) Negotiation Procedures

Karla contacted CTA office to schedule Interest Based Bargaining (IBB) training. 1½ day training has been requested. CTA will call when a trainer is arranged.)

- Item #4.2C:
 - Leave in red-lined item reading, "***Consistent with the interest based bargaining (IBB) process; other issues may be addressed at any time by mutual agreement.***"

(Tentative Agreement reached between parties)

- Item #4.3:
 - Language will read, "***Negotiations: The parties shall exchange proposals for the next contract no earlier than November 15, 2014 and no later than February 1, 2015.***"
(Tentative Agreement reached between parties)
- Item #4.5:
 - Language will read. "***The District and the Association may each designate up to 4 persons to attend negotiations sessions.***"
(Tentative Agreement reached between parties)
- Item #4.6:
 - Language will read "***Negotiations shall take place at mutually agreed upon times within the regular workday. The parties agree to minimize breaks and other interruptions.***"
(Tentative Agreement reached between parties)
- Item #4.7
 - Item will be kept as is.
(Tentative Agreement reached between parties)
- Item #4.8
 - The Association has received a digital Excel copy of report "***showing the placement of all unit members on the salary schedule***"

Article 8 (page 9) Teaching Hours

- Parties agreed on draft language Sept. 24, 2014, including amending blue lined item #8.10 to read, "***Addressed in section 8.5 and 8.6***" (page 12)
(Tentative Agreement reached between parties)

Article 10 Leaves

- Language in this article will remain as it is in the existing 2010-2013 Agreement.
(Tentative Agreement reached between parties)

Article 12 (page 23) Assignments, Reassignments, and Transfers

- Use language drafted Sept. 24, 2014.

(Tentative Agreement reached between parties)

Article 16 (page 35) Employee Benefits

Both parties continue working towards finding common ground with item # 16.8 ***Retirement Incentive Program***. The association questioned considering a retirement incentive program being tied to the percentage of the budget being dedicated to salary. Does DUSD have a higher percentage of each year's budget going towards salary, because of the high ratio of senior certificated members, over other similar districts? "Generally speaking, a school district spends between 80-85% of its entire budget on salaries and benefits, with 15-20% remaining to address all of the rest of the budgets priorities and needs." (School Budgets 101- American Association of School Administrators, www.aasa.org) Len feels in this regard, it is hard to compare our District to different districts of various sizes etc.

The district does not want to tie this or any other "automatic" trigger toward an early retirement incentive. With that said, Len stated the district would consider offering the incentive regularly on a year by year basis. While districts can save money over time by hiring employees with less experience for lesser salaries, they have to spend more money initially to pay for the buyouts, so the district wants to consider the benefit each year in relationship to budget realities of the time.

The association asked for consideration of language that would timeline early retirement incentive discussions in closed session by the board for each upcoming school year, followed-up with the superintendent reporting their conclusions to the association, citing measureable markers that were discussed or considered. DUSD agreed this may be a possible solution, and both parties will come to the next negotiation session with some language to consider.

Progress with Salary:

- DUSD: District proposal was made of 1% ongoing money applied to the salary schedule and retroactive to 2013-14, with the addition of longevity steps 32, 34, 36 to the Certificated Salary Schedule. (The percentage increase to be consistent with previous steps.)
- DUTA: The Association is considering the proposal and will have a response before the next negotiation session, scheduled Thursday, November 13.

Certificated Health Benefits Cap Calculation

The parties discussed the business manager's idea of using a "Weighted Average Increase" for calculating the 50/50 split of health benefits. After removing the Dogwood plan from the calculations, the 50% share came out to be \$57.86. This would make compensation for employees consistent. DUTA pointed out that this makes dollar changes to employee splits... Before applying a "Weighted Average," 50/50 splits are as follows: Alder \$59, Birch \$105, and Cedar \$97. DUTA feels this is a change in how contract language is interpreted, and would need to be negotiated before having the deductions changed by a "weighted average." The change may alter the health benefit option a member decides to choose. Len checked with Christy Patterson about insurance procedures: New rates will come out in March and will take effect on July 1st, and members can change their plan when a new contract is ratified that changes the contribution a district makes towards insurance.

It was suggested to look at basing the split on a standard plan, such as Birch, to make the calculation. This would make employee compensation consistent for all unit members, and be less convoluted. Ron will look at the idea further and share at our next session.

Other discussion: Substitute Teacher pay raise

The district would like to increase pay for substitute teachers. Our current pay rate is about \$80.00 per day, which is significantly below surrounding districts, that are paying about \$95.00 per day. The District would like to make DUSD pay

more comparable to surrounding schools. Len is also going to propose a substitute salary schedule for more long term assignments, with short term, middle term, and long term assignments given consideration. This affects unit members because differential pay by teachers would be more costly. This will be discussed further in the future.

The next negotiation session will be Thursday, November 13, beginning at 1:15 pm.