

DUTA/DUSD Negotiations Summary
September 24, 2014

Present: Len Foreman
Ron Sherrod
Karla Rigsbee
Sheyanne Shanks
Allison Brigham
Davis Van Arsdale
Becky Bill

Budget update: (Ron Sherrod, DUSD Business Manager)

Ron presented a document showing Total Revenues, Total Expenditures, and Ending Fund Balance for 2011-12 through 2014-15. He discussed deficit spending. A correction was made to the "Gain (Loss) column for 2014-15. It was amended to approximately (-\$203,000) to show offset of replacement of some of the Coliseum Project Capital Outlay of \$158,548. Based upon Ron's review, our budget appears to be in line with the Governor's May revise.

The association asked about the district reserve. Ron estimated the reserve at around 10% when including Special Reserve Fund 17, restricted, and unrestricted funds. In the DUSD budget, 4% is equivalent to about \$300,000 (1% = \$75,000)

The association asked to review budget regarding funding specific to Durham Unified in comparison to other school districts. LCFF (Local Control Funding Formula), LCAP (Local Control and Accountability) LCAP goals for DUSD (unrestricted funding to benefit students, based on the demographic profile of the students we serve) can be found at the DUSD website. We also discussed and clarified, "specific base grants," "supplemental base grants," and "grade span adjustment grants." Unlike many of our neighboring districts, DUSD does not qualify for concentration grant funding. Future additional funding from the State will be significantly offset by our declining enrollment

DUTA asked what new funding would be coming in for 2015-16 for Common Core dollars. The District will investigate this. Ron was not sure if new dollars were being funded. We talked about the 9.5% STRS increase to catch up for the unfunded liability. Ron was not certain how long the district will have to make the increase.

Discussion of Article IV Negotiation Procedures: (Karla Rigsbee, DUTA Lead Negotiator)

Both parties discussed "Negotiation Procedures," as outlined in the 2010-2013 Agreement. The following items in Article IV were reviewed:

- **Item #1** "The Board and Association agree to utilize, and are committed to the *interest-based bargaining (IBB) process.*" Karla discussed that she would like to have more members trained in IBB. The district agreed this would be beneficial. Currently Len Foreman and Becky Bill are the only party members to have IBB training. CTA provides this training. The association will look into training possibilities for more members of the negotiating team.
- **Item #2:** "*Both parties shall meet and negotiate in good faith on negotiable issues. Any agreement reached between the parties shall be reduced to writing and signed by their representatives.* (Tentative Agreement (TA) process)

- **Item #3:** *Either party may use the services of outside consultants.* We discuss the difference between a consultant and a lead. Neither DUTA nor DUSD had outside council present or leading the negotiation procedures at the table. Both parties felt it was more successful, positive, and followed the IBB process.

There is no language in Article IV about public posting of discussions and proposals in the negotiation process. Previously DUSD has posted proposals presented at negotiations. The benefits of this were discussed by Len, and DUTA expressed an interest in having input to what was posted publically. It was decided that DUTA would write a summary of any negotiation session, present it to the district for review, and then the district would post the agreed upon summary of events.

Review of progress for 2013-14 Contract Agreement

Article 1 (page 1): Agreement

DUSD: Changes are agreed – Needs confirmation re-term.

DUTA- Changes are agreed- association would like “Term” in items #1.3 to reflect a one year term, July 1, 2013 to June 30, 2014.

Article 3 (page 1): Definitions

DUSD: Changes are agreed

DUTA- Changes are agreed

Article 4 (page 2): Negotiation Procedures

DUSD: No agreement.

DUTA: No agreement.

- Redline reflects District Proposal incorporating some Association Language.
- Len will check on intended meaning of “Successor Agreement,” in propose d language by district in item #4.3. DUTA doesn’t want entire contact opened up.
- Item #4.4: District proposed an association team of 4 members. Association proposes a 5 member team (had a 6 member team in the past, will drop DUTA President from the team.)
- Association proposes item #4.4 to read *“Negotiations shall take place at mutually agreed upon times. The parties agree to minimize breaks and other interruptions.* DUTA wants all members to potentially participate, including members with young families and coaching members. Negotiating after school hours would limit those members’ participation. District wants some sessions to be after school for cost savings.
- DUTA wants to keep item #4.7, as it is needed in the event of impasse proceedings.
- Association requested a digital XL format (Excel) copy of report noted in item #4.8

- Parties discussed the need to keep red-lined item #4.2C *“Consistent with the interest based bargaining (IBB) process, other issues may be addressed at any time by mutual agreement.”*

Article 8 (page 9): Definitions

DUSD: Changes are agreed

DUTA: Changes are agreed

- Association would like to amend blue lined item #8.10 to read, *“Addressed in section 8.5 **and 8.6.**”* District agrees.

Article 10 (page 13): Leaves

DUSD: No agreement.

DUTA: Previous notes indicate parties reached agreement June 6, 2014 (language attached)

- Association proposed language on November 14, 2013. While we understood that the district felt language was redundant and could be found in Ed. Code, DUTA felt it was a convenience to members to have various leaves clearly defined in the contract, as configured in the proposed language. On June 6, 2014, district negotiator (Tom) stated the district would withdraw their proposals for Article 10.
- Len requested to table this for now, and the parties will discuss it at a future session

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

DUSD: Changes are agreed

DUTA: Changes are agreed

Article 16 (page 35): Employee Benefits

DUSD: No agreement

DUTA: No agreement

- There is no proposal that the parties felt would support a viable discussion. We discussed the district need to be protected from any automatic retirement benefit that would cause a hardship over an extended period of time before savings could be realized by the district. DUTA discussed the low salary levels for our members approaching retirement, and the associations desire to put dollars on the upper end of the salary schedule as a means to compensate members in the absence of viable retirement language.

- Both parties agreed to come to the next negotiation session with some ideas for language for retirement benefits that would benefit both parties and make fiscal sense.

Salary

DUSD: District proposal is 1.5% ongoing money, not retroactive, effective 7/1/14, and 1% one-time money.

DUTA: Association proposal is 2.24% ongoing money, retroactive.

- The district discussed declining enrollment resulting in revenue going down while costs of doing business is going up.
- The association clarified the 2.24% increase is based on balancing step and column increases on the salary schedule.
- DUTA members are the second lowest-paid teachers in Butte County (behind Biggs) and staff has not had a raise for seven years. With increases in benefit costs, members are making less money than seven years ago.
- DUTA feels one-time money is not desirable because no ongoing money has been placed on the salary schedule in such a long period of time. “We have a lot of catching up to do.”
- The District agrees that all staff in the district have gone without an increase to their salary schedules for a long time. The District would like to remedy this. The District has seen its ending fund balance drop from \$1.7 million in 2011-12 to a projected \$640,000 at the end of 2014-15.

2014/15 Certificated Health Benefits Cap Calculation

- Ron Sherrod presented an analysis of benefit cap calculation. He explained the difficulty in interpretation with the transition from a five selection benefit menu (Silver, Red, Blue, Option II, HDHP) in 2013-14, to a current four selection benefit menu, (Alder, Birch, Cedar, and Dogwood). Ron and Len stated that after consulting with Christie Patterson, the consensus seems to be that Birch is equivalent to the old “Blue” plan, instead of Birch being compared to the old “Red” plan.
- Ron presented the idea of using a “Weighted Average Increase” for calculating the 50/50 split between the association and the district. This would allow for a fair and even distribution of compensation for all members. It was discussed that this idea sounds responsible, but the Dogwood plan should not be included in the average, as the Dogwood premium cost is below the district cap. Ron will re-configure the Weighted Average Increase without the Dogwood plan in the calculation.

Both DUTA and the District appreciated the relaxed and free tone of the session. The next negotiation session will be Tuesday, October 28 from 9:00-11:30 am.