

**SRCSD and SRPE Negotiations
Meeting Minutes
November 9, 2016**

SRCSD Representatives: David Gunter, Darren Brock, Warren Stevens, and Tonya Shepherd

SRPE Representatives: Rhoda Chavers, Marie Bodi, Landra McCrary, David Godwin, Tamela Strickland, and Ruth Blackman

Meeting was called to order at 4:10pm.

Rhonda Chavers said there is a problem with teacher recruitment and retention in the county and across the state. Presented some new language regarding steps possibly to address attracting and retaining teachers. (see SRPE language items attached)

David Gunter sought clarification for the new language regarding the highly economically disadvantaged schools. On the employee evaluation language, this is considered auto-renewal language and the district believes it would be in conflict with SB736. Godwin inquired about the specific issue with SB736. Gunter provided clarification. Bodi stated that it is not auto-renewal, it is conditional renewal. Gunter stated that he has to decline that language due to the apparent conflict with SB736. Bodi stated that Gunter's explanation kind of negates what Jenny Granse said when she sought the endorsement of the union. Chavers stated that it sends a mixed signal when it's something that a Board Member originally was in favor of and now it's something different. Bodi stated that 3 of 5 Board members endorsed this, with 1 coming on board. Gunter stated that he could not speak to individual board members views but he has not been given any approval to accept that language nor has he been given anything to counter the language with.

Godwin passed out the 2001-2002 Fiscal Year Budget Summary. He stated that FCR terminology was not being used then, but reserved and unreserved fund balance was. Godwin states that the FCR is now 7 times higher than it was in 2001-2002, and employees received a step increase. He felt like the district acted as if it were a priority for employees. Gunter noted that was the year of the 9/11 attack and the fund balance was low due to state wide budget issues.

Godwin stated that he believes the percentages of the last offer made by SRPE on 10/3 comply with SB736 and that SRPE is staying with that as their offer. Godwin says the district could put forth the \$5 million and still maintain the desired FCR of 6.2%. A salary proposal that Godwin feels is fiscally responsible. It keeps the FCR right in the middle of where the school district wants to be according to Godwin.

Gunter clarified that this is still the current salary proposal. Godwin stated, "Yes."

Gunter stated that this proposal is above the number that he is able to agree to, but has a counter offer. Previously, a 2-year offer was presented which feasibly allowed the Board to plan for long term. Gunter stated he anticipated that from this point forward, any offer will be a 1-year offer. The Board and the Superintendent appreciated the reduction in SRPE's previous offer that included a 25% decrease. The new counter offer presented by Gunter would give a 1.2% increase for effective and grandfathers employees and a 1.6% increase for highly effective performance pay employees. This new offer increases the previous Board offer by approximately 50% over the previous offer and puts almost $\frac{3}{4}$ of a million dollars (\$750,000) in additional salary funds on the table. Gunter clarified that Ed-support gets the same thing that an effective teacher gets. Landra McCrary questioned why ed-support gets less and not the highly effective rate. Gunter explained that highly effective pay is a function of legislated performance pay and the district is not implementing performance pay where not required to do so.

Godwin questioned whether this new offer negatively affects the FCR. Gunter stated that he will never offer anything that negatively affects the FCR. The Board's goal is to give employees a raise while building FCR at the same time. The Board wants to be in a position to help employees if another year like 9/11 or Hurricane Ivan occurs.

SRPE asked for a caucus to consider the offer. After a short caucus, Godwin informed Gunter that SRPE will turn this offer down.

Gunter asked if there was a counter offer to the district's proposal because he just added $\frac{3}{4}$ of a million dollars to the district's prior proposal which was an increase of 50%. Bodi stated that the last offer they made came down by 25%. Gunter pointed out that there was a reasonable expectation that SRPE would reduce their offer as part of the ongoing negotiations process especially in light of significant increase just offered by the district. Godwin stated that he calculated the FCR would be higher since the offer would not negatively impact FCR. Gunter asked how the Board's offer is allowing the District to increase the FCR? Godwin said he combined the offer amount to the unassigned fund balance and used the FCR formula to calculate the increase. Gunter stated that he does not believe that is completely accurate. Gunter said there is an assumption being made that a line item budget is negatively impacting the FCR and anytime the board offers more money the FCR decreases some degree. Gunter clarified there is a level the board wants to maintain and any offer made will not take the FCR below that level.

Godwin gave his calculations and Gunter stated that assumption is erroneous.

Chavers interjected that she feels the last SRPE offer is very reasonable, financially judicious. Gunter says the offer he is proposing will maintain the current fund balance or slightly increase it where the SRPE proposal will significantly reduce FCR. Chavers

and Godwin agree that they believe these percentages fit with the information Susan McCole stated in the Press Gazette.

Gunter stated that every time new money is put on the table, it impacts the FCR. Godwin stated that he is using numbers that were on the most current Budget Summary and reported to the public. Godwin says he would be glad to see what the \$3.5 million of SRPE offer does to the FCR. Gunter says it will drop the FCR down by about 2 points; any offer made will not drop the FCR down below the current level and what recorded June 30th reported and reported in September on the DOE report is an amount that is good for that specific time only. Gunter noted that the FCR is not concrete and can't be treated and calculated as such due to many factors impacting FCR at any given point.

Godwin says he understands that the numbers change daily, but knows that the \$1.7 million district offer keeps the FCR at its current; but is curious where the \$3.5 million puts it. By doing what most other districts do Godwin believes this would potentially put the FCR at around 6%. Godwin stated that this proposal is well within the District's goals. Chavers says it is a good faith offer.

Gunter asked again whether this offer is what they are wanting to stay with, the Union said, "Yes." Godwin stated he believed that the first couple of district offers were not even reasonable.

Gunter stated that he has one more offer to propose. Gunter says, "You want reason? I'm putting it in front of you." This new offer increases effective and grandfathered employees by 1.4% and highly effective by 1.87%. At this point in time, the district is still not interested in new language items but this offer is contingent up cleaning up the current language items and incorporating all outstanding MOU's to date into the Master Contract. Gunter pointed out the comparison's SRPE had previously made with neighboring districts. Gunter stated the SRC will not be able to offer and amount as high as Okaloosa's 2016 salary increases, but the current offer is well above what was settled in Escambia which was 1%.

SRPE requested a caucus to consider the new offer.

After resuming, Godwin questioned how much can the District spend on salary improvements and still keep the projected FCR? Gunter noted that SRPE asking this question is no different than asking "what's the best offer you can put on the table?" Godwin says that Gunter giving him the best offer and knowing the answer to the question he posed would help. Godwin says he doesn't know why there can't be a direct answer to the question. Gunter stated that there would be an answer to that question but it would come in the form of an offer. Gunter also stated to Godwin that the answer to that question may be in the offer sitting on the table.

Chavers stated that they would like to adjourn and would take the last offer under consideration, but SRPE is currently not accepting or rejecting it.

Meeting was adjourned.

Next meeting will be November 16th at 4pm.