

SRCSD and SRPE Negotiations Meeting

November 1, 2018

4:30 p.m., Canal Street Board Room

SRCSD Minutes

Present: SRCSD-David Gunter (Chief Negotiator), Dan Balsavich, Cheree Davis, Emily Donalson, Larry Heringer, Missy Floyd, Alexandra Timmons, and Jon Watts

SRPE: Rhonda Chavers, President SRPE (Chief Negotiator), Ruth Blackman, Marie Bodi, David Godwin, Landra McCrary, and Tam Strickland.

Guest present: Elizabeth Hewey and Wei Ueberschaer.

Ms. Chavers opens and presents *SRPE Language Proposal-2: November 1, 2018* and reads language. She adds that SRPE might need to add “instructional personnel” to language. She asks if there are any questions.

Mr. Gunter has no questions and says he has similar language built into the District proposal along with identifying the amount for the X factor in performance pay (18-19).

Ms. Chavers asks if SRCSD is ready to offer the proposal.

Mr. Gunter presents *Santa Rosa County School Board Proposal 3 November 1, 2018* as proposal/counter proposal to SRPE proposal from previous session. Gunter introduces that this document represents a counter-proposal to the previous salary schedule provided by SRPE and is in a format that would be ready to go into the contract. Mr. Gunter highlights sections which strikes the current schedule, etc. drawing attention to page 2 which has the proposed 2018-19 Instructional Performance Salary Schedule. Mr. Gunter explains this schedule is based on the same schedule SRPE proposed with the flexibility SRPE agreed to during the last session (see prior minutes) applied in order to get the total cost inline. Gunter notes the proposed schedule is using SRPE’s prior proposal structure and percentages with modification applied that should take place of any problems with new employees. If the schedule doesn’t change, 2019-20 instructional personnel would be hired on this proposed schedule. He details struck language. On page 3, Gunter shows SRCSD performance pay language and reads new language. He adds that the term “satisfactory or effective” is used as it mirrors paperwork we get from other districts. He notes that #2 on page 3 language mirrors SRPE language. Language reflects the same for annual or PSC employees. Mr. Gunter suggests that SRPE may want to caucus, but they may want to wait into he introduces formulation sheet so any questions that arise can be addressed prior to the caucus.

Mr. Gunter hands out formulation sheet. Mr. Gunter says this sheet will show model of how compound rounding will calculate. He explains this document is the model SRCSD uses before we enter into the system. Mr. Gunter explains that the rounding is NOT applied to his document. Mr. Gunter clarifies the difference in numbers: 2,045 is exact number of teacher count on October payroll; the 2,033.23 is FTE count.

Mr. Godwin says he used 2,051 for October. Ms. Chavers replies that SRPE used Mr. Gunter's number of 2,045. Mr. Godwin notes that there is a \$65,000 difference. Mr. Gunter explains that is where the rounding built into the finance system comes in. Gunter notes that the effect of the rounding is to the benefit of the employees and increase the total amount of money included in any offer.

Mr. Gunter refers to prior schedule (SRPE) with increases of 1.7, 2.3, etc. Godwin offers specific percentage.

Mr. Gunter states that he tried to anticipate rounding so that we would still be in the number we needed to be. On the SRCSD proposal, levels 1-15 would have a 1.695% increase between levels (1.70% on SRPE); levels 16-30 would have a 2.25% increase (2.30% on SRPE), with levels 30+ at 2%. The new average teacher salary would be \$46,114.00. Gunter then hands out *Proposal Comparisons for Fy2019*. He notes that he used Mr. Godwin's figures. This document shows the actual cost using the SRPE proposal is \$4,885,107.90 which is again more than what SRPE calculated for the cost. Mr. Gunter states the District's offer is as close to SRPE's proposal as it can be without changing individual levels to further decrease the difference.

Mr. Chavers asks if \$116,222.28 is the difference.

Mr. Gunter reminds of the rounding. There is \$116,222.28 difference between where the actual cost is on what Mr. Godwin proposed previously but over half of that difference is in the amount that SPRE underestimated the cost so the real difference is approximately half of that total and somewhere around \$50,000 to \$60,000.

Ms. Chavers says she has a problem with the math and it does not make sense. She says she doesn't understand the rounding system and asks, "Is it the old Gateway system?"

Mrs. Bodi asks, "Is this what Clifford (Parker former negotiator for SRCSD) used?"

Mr. Godwin objects to the proposal claiming the difference comes from levels 16 to 30. He adds that the savings need to be evenly distributed.

Ms. Chavers says we need to adjust it.

Mr. Godwin says the 2.25% levels only affected 16-30. Godwin states the savings have got to be evened out.

Ms. Chavers claims that the people on the SRCSD model who benefit the most are the ones on the levels 1-15.

Mr. Godwin adds that the people in the middle are going to get the most anyway. Godwin states he understood that when he built the proposal for SRPE.

Mr. Gunter agrees that the savings should be evenly distributed and that is what the District's proposal does this by changing every level 1-30 the same amount. Gunter points out that SRPE's proposal reduces only levels 1-15 while keeping levels 16-30 at the same rate. Gunter contends that SPRE is reducing the levels where the majority of the bargaining unit members fall being levels 1-15 and shifting that money to levels 16-30. Gunter asks how this is equitable if every

level in not potentially affected in the same manner. Gunter again notes that the District's proposal does exactly that and addresses equitability across every level by changing each level the same exact percentage points.

Chavers calls for caucus.

Upon return, Mr. Godwin says SRPE has a counter, and we can come to an agreement.

Mr. Godwin asks the SRPE team if they want to call this a proposal or an offer.

Ms. Chavers says it's a counter proposal to what the district proposed and presents *2018-19 Instructional Salary Schedule*. Ms. Chavers says the documents last week were off. SRPE's new proposal is this so that money would be distributed.

Mr. Godwin explains the SRPE schedule: levels 1-15 are at 1.6805% and levels 16-30 are at 2.3%. Although the bottom of the document did not print out the full sentence, 30+ years are at 2%. The SRPE estimated total cost of the proposal is \$4,646,238. Godwin noted the 6-9 years have a higher percent converting to the new schedule.

Mr. Gunter pointed out that this is where he is struggling with the equitability on how the levels are potentially affected by the SRPE proposal. Gunter notes the levels Mr. Godwin addresses increase significantly even on the District offer but the SPRE offer creates an even larger gap between levels 1-15 and levels 16-30. Gunter asks, "Why is SRPE making the gap between top and bottom larger?"

Mr. Godwin argues that SRCSD took all savings from levels 16-30.

Mr. Gunter disagrees with Godwin's claim that all the savings are from levels 16-30 and again references the fact that the SRCSD proposed schedule makes the distribution more equitable and affects every level by the same amount from 1-30.

Mr. Chavers adds that her belief is the employees in higher schedule levels are more loyal and more likely to be retained.

Mr. Godwin details some of the salary differences.

Ms. Chavers asks SRCSD, "Why are you so concerned about the disbursement?" Chavers noted that all both sides need to do is agree to the amount for the cost and then SRPE will determine how it is distributed.

Mr. Gunter retorts, "I could ask the same question" of SRPE.

Mrs. Bodi states that SRPE is making the distribution more equitable.

Mr. Godwin acknowledges that a larger portion of the money is still going to the middle of the schedule in SRPE's proposal.

Ms. Chavers says that SRPE doesn't think the SRCSD proposal is fairly distributed.

Mr. Gunter counters that he could say the same thing for the SRPE proposal due to the fact that the only reductions in percentages are at levels 1-15 in the SRPE Proposal.

Mr. Godwin suggests that SRPE just tweaked the SRCSD proposal a little bit.

Mr. Gunter disagrees and explains that part of the reason that SRCSD built the proposal at the two uniform levels is because SRCSD is dealing with retention/recruitment issues which have been acknowledged by SRPE (see prior minutes). Gunter adds the District's concern is that the current SRPE proposal appears to take money away from 0-15 where more employees are leaving and moves to levels 16-30.

Ms. Chavers counters that SRCSD wants to take away from those who are loyal.

Mr. Godwin says that some at levels 26 would make less than the 13-14 schedule. Gunter notes that this level will increase by approximately \$1600 over the current level which is a 2.75% increase.

Ms. Chavers suggests that the district is changing credentials requirements and SRPE is concerned over those who have been at the district longer.

Mr. Godwin suggests that if the proposal takes a little money from levels 1-15 it makes it more evenly disbursed from levels 16-30.

Mr. Gunter states again that this is where he is struggling with the equitability of the SRPE proposal. Gunter again noted the conversation from the last session where he asked SRPE for parameters to use to reduce costs across that whole schedule to which SRPE agreed. Gunter states that he did exactly that and uniformly applied the cost savings measure to every level and not to just one-half of the schedule as is the case with the SRPE proposal.

Ms. Chavers says to Mr. Gunter for him not to get his feelings hurt because SRPE does not accept his offer.

Mr. Gunter says that SRPE is at a \$1,000 on the difference.

Mr. Godwin says that Mr. Gunter knows that SRPE is close. Mr. Godwin suggests that those with 9 years receive a 7.4% raise and provided other statistics. He says that most of the money is going to the middle of the salary schedule.

Mr. Gunter explains that SRCSD proposal is based on SRPE's original proposal from 10/25 and the SRPE contention that those levels were affected the most by compression in prior schedules. Gunter asks if SRPE wants to talk about equitable distribution, he has done that in the structure of the SRCSD proposal. Mr. Gunter asks, "Is SRPE negotiating for the greater good or specific levels and special interests?"

Mrs. Chavers replies, "That may be your opinion."

Mr. Gunter responded that he believes that to be the case since SRPE representatives at the table seem to be especially concerned about individual levels and not the greater good for all member of the bargaining unit.

Ms. Bodi says that she doesn't understand why SRCSD/SRPE are arguing over the disbursement. She states that SRCSD gave a dollar amount and if we agree to that then SRPE will determine the disbursement.

Mr. Gunter clarifies that the District's offer to SRPE is a salary schedule *and* the amount it would cost to implement.

Ms. Bodi asks, "What does it matter how it's disbursed?"

Mr. Gunter again states that the SRCSD offer is the schedule and the amount tied together. Gunter pointed out that SRPE is estimating about a \$1,000 difference in their estimated proposal from what the District is offering. Mr. Gunter again notes SRCSD used the same adjustment for every level to address cost concerns.

Ms. Chavers says, "At 6:30 we are calling an end to this. We already talked about just taking a caucus for the remainder of the time."

Mr. Gunter asked Chavers if she had somewhere she had to be and that the District was prepared to reach an agreement if possible even if that meant extending the session.

Mr. Godwin again countered that SRCSD did not equitably distribute the cost savings. He argues that the SRPE proposal is more equitable.

Mr. Gunter asks, "You do remember SRPE acknowledged that we need to address recruitment and retention?"

Ms. Bodi answers that SRPE wants to heal the harm that occurred when the steps were removed.

Ms. Chavers asks, "When do you want to meet again? Either you accept it or reject it." She asks if Mr. Gunter has the power to do so.

Mr. Gunter affirms that he does.

Mr. Godwin says that the employees at 16-30 got hit twice and the people at 1-15 only got hit once. Godwin says he thinks we need to compare salaries at each of our schedules, and there will be little difference.

Mr. Gunter agrees with Godwin that each level has little differences across each level. To that point, Mr. Gunter noted that since Godwin and SRPE acknowledge the "little difference" then SRPE should accept the SRCSD proposal with a proven cost of \$4,768,885.62. Gunter stated that if SRPE accepts the proposal the District would commit to having the new amounts applied to December checks if possible but no later than January pay cycle.

Mr. Gunter asks if SRPE is stuck on 2.3 for levels 16-30. Mr. Gunter requests that SRPE give him something that impacts entire schedule, not just 16-30.

Ms. Chavers asks about what documents were shown to the board during the Executive Session.

Mr. Godwin says, "I think you need to look at the dollar amount. I'm looking at dollar amounts; there's not much difference in the dollar amounts. By far most of the money is going to the middle section."

Ms. Chavers asks if the executive session was informed of the changes to those that it did the most harm to. We are not moving them to 13-14.

Mr. Gunter again agrees with Godwin that the proposed levels are very close and asks SRPE to look at positives of accepting the SRCSD proposal. That schedule was shown to the board in executive session and signed off on it. Gunter holds up SRCSD proposal and says, "We can ratify this right now." Mr. Gunter reiterates that the SRCSD proposal has gone to Executive Session for approval and if SRPE accepts and ratifies it can go to the board for approval November 15th and for a possible December disbursement but no later than January.

Ms. Chavers says that she has heard this all before, and it has never happened. She likens the situation to an enigma or riddle. She asks if he is willing to sign off on December checks if ratified in time.

Mr. Gunter says the District will make every effort to distribute in December but will guarantee by January if ratified in time.

Ms. Bodi says since Mr. Gunter called the SRPE proposal an estimate, could he take it back to finance and get it more accurate.

Ms. McCrary asks, "Can't you put it in your Excel and round it?"

Mr. Gunter says, "I have a proposal with a firm number. Take this proposal. Let's settle right now."

Ms. Chavers, "Let's take \$4,646,238."

Ms. Bodi says this is the first time this rounding has been brought up. "We're not getting anywhere, let's come back when we have cooler heads."

Ms. Chavers calls for a caucus.

Upon resumption of meeting, Godwin distributes *SRPE Salary Proposal 11/1/2018: 2018-19 Instructional Salary Schedule*. He details the changes: Levels 1-15 at 1.6835%; 16-30 at 2.29%; 2% for 30+ years.

Ms. Timmons asks if #2 can be added to this proposal since it has the same heading as the first one SRPE distributed this evening.

Ms. Chavers agrees.

Mr. Gunter confirms that SRPE is leaving everything at 30+ at 2%.

Ms. Chavers/Mr. Godwin both say yes.

Mr. Godwin, "We're \$2,000 apart now."

Mr. Gunter asks Mr. Godwin to run the following figures: 1-15 at 1.69%; 16-30 at 2.27%; everyone at 30+ at 2%

Mr. Godwin says his figure is now \$4,655,607.00 and asks if Mr. Gunter is trying to get it to where his cost was on the SRCSD proposal.

Mr. Gunter says, "I'm looking to have an equitable distribution at all levels."

Discussion ensues with various changes to percentages.

Ms. Timmons asks Mr. Gunter, "Where do you usually lose your employees with regards to retention?"

Mr. Gunter states from 4-9 range in addition to retirement attrition.

Mr. Godwin again claims that the problem is all the money is coming from levels 16-30.

Mr. Gunter suggests that instead of looking at the differential in the proposal, SRPE should look at the actual gains they would make by accepting the District schedule.

Mr. Gunter asks, "What is your proposal now? What number do you want to be at?"

Mr. Godwin answers: at levels 1-15 1.6835; levels 16-30 2.29; 30+ 2.0. He says it's the last piece of paper he handed out.

Mr. Gunter asks that if we go with that number, your estimate is \$4,647,662?

Ms. Chavers states, "No."

Mr. Godwin states, "Yes"

Mr. Gunter notes and then asks, "We are \$2,000 off on the estimate for each schedule and the District schedule has a confirmed total cost of \$4.77 million. Is SRPE going to reject the District's offer and not accept the increase?"

Ms. Chavers says, "We need to set another meeting date."

Ms. Bodi says, "Show our number is correct by running it through the system."

Mr. Godwin says, "We would like to run a final cost."

Mr. Gunter asks, "Are you rejecting our offer?"

Ms. Chavers says, "We are tabling it." She asks for numbers on SRPE's first proposal and adds that when Mr. Gunter runs both and gets SRPE the cost of those with your program from finance.

Mr. Gunter clarifies, "You will not accept a 4.4 offer? "Can you meet tomorrow?"

Ms. Chavers answers no.

Mr. Gunter asks, "When can you meet?"

Mrs. Chavers states that SRPE can't meet tomorrow or any day next week and that November 15, 2018 is the soonest SRPE will be available to meet again.

After discussion the meeting was set for Nov. 15, 2018 at 4:30 p.m. at Canal Street.

Session was adjourned at 7:17 p.m.