

SDEA Representative Council Meeting

April 8, 2015

Bargaining Update & Facts



BARGAINING IN GOOD FAITH

SDEA and the District are required, by law, to “negotiate in good faith” on issues within the “scope” of the collective bargaining law. The bargaining law requires that the parties approach the bargaining table with a good faith effort to reach agreement. Exchanges of proposals and counterproposals should take place; information should be exchanged; and generally the parties should work toward accommodating their differences. “Good Faith” bargaining does not require either party to make specific movements or prohibit a response of “No”.

SDUSD: Claiming Budget Deficit

SDEA: Our Fair Share of the Dollars to Move Salaries to Median and Above

Fact: The SDUSD 2014-15 budget exceeds 1.1 billion dollars.

Fact: SDUSD has deficit spent by expending more than received for five of the past six years, *but has never had a deficit.*

Fact: SDUSD has carried large reserves of ongoing and one time (property sales) monies to close any spending gaps.

Fact: SDUSD is projecting a \$34 million unrestricted reserve above what is required by law for the 2014/15 year.

Fact: SDUSD received a \$75 million increase in new monies for 2014/15 . Twenty-eight (28) million went towards SDEA's restoration of the 5% and one (1) Furlough day.

SDUSD: Claiming Budget Deficit

SDEA: Our Fair Share of the Dollars to Move Salaries to Median and Above

Fact: SDUSD is projected to receive a \$54 million increase in new monies for 2015/16 and a \$24 million increase in new monies for 2016/17.

Fact: New monies coming in to SDUSD offset spending down their reserves and should reverse any future deficit spending pattern.

Fact: Beyond 2016/17 SDUSD is expected to receive \$105 million in new monies by the fiscal year 2020/2021.

Fact: SDEA's current 7.5% wage proposal for 2014/15 & 2015/16 is an approximate expenditure of \$40 million for SDEA and \$67.5 million for all employee groups.

Fact: While SDEA expense as a % of the budget outgo has decreased, other employee groups and budget items (Professional/consulting Services, Subagreements) has increased as a % of the budget outgo.

Employee Costs : Budget Facts & Figures

- 88 % - Total employee costs as a % of the budget outgo.
- 41% - Total SDEA wage cost as a % of the budget outgo in 2014/15.
- 43%- Total SDEA wage cost as a % of the budget outgo in 2010/11.
- 1% - The cost of a one percent salary schedule increase is \$5.3 million
- Benefits: Health plan costs range from \$5,020 (lowest) to \$24,030 (highest).
The average cost is approx. \$14,500.
- SDEA Average Total Employee Cost -\$88,900 (Step 10/ Column 3, includes payroll costs and benefits).
- An additional two hundred (200) educators costs approx. \$17.6 million

Comparability

Bargaining Goal : Increase wages to the median or higher quartiles with ***comparable*** county and state districts that will attract and retain the highest quality educators.

Using Comparability as a “Measuring Stick “to achieve our priorities and goals:

- Determine which districts to use for a comparability.
- Use Districts similar size and how they receive education funding.
- Analyze at the benchmarks. (Standard benchmarks are beginning teacher salaries, five (5), ten (10) years maximum earnable salary).
- Calculate the percent increase needed to move the salary schedule to the median.

SDEA Wage Proposal as an Example Using the 17 Largest/Similar Student Make-up in SD County with Same Funding Formula

	1 Year	5 Years	10 Years BA +60	12 Years BA +75	Max. Sal
Current	(10) \$42,209	(14) \$51,518	(15)\$64,138	(13)\$71,314	(16)\$87,177
1.5%	(8) \$42,842	(11) \$52,291	(14) \$65, 101	(12) \$72,383	(13) \$88,484
4%	(5) \$44,556	(6) \$54,382	(10) \$ 67,704	(6) \$75,278	(8) \$92, 023
2%	(4) \$45,447	(3) \$55,470	(7) \$ 69,058	(5)\$76,784	(5) \$ 93,864

Numbers in Parenthesis () are Rankings

Health Benefits Comparability

Cajon Valley	\$9,061		CAP
Carlsbad	\$15,908		CAP
Chula Vista	\$9,500	(1/2016)	CAP
Escondido High	\$13,806		CAP
National	\$10,300		CAP
Oceanside	Employee Coverage		
	\$1,000 deduction for dependent coverage		

Health Benefits Comparability (continued)

San Marcos	\$13,060	CAP
Poway	1% Inc. to CAP	CAP
South Bay	\$11,700	CAP
Sweetwater High	\$13,130	CAP
Vista	\$10,812	CAP
Santee	\$17,812	CAP
Grossmont	Employee HMO Only	80% Kaiser for dependent