



FUESD's NEGOTIATIONS NEWS

Volume I, Issue 1
Negotiations with FETA

January 10, 2018

To promote transparency and open communication with the community, employees and other interested individuals, the Governing Board of the Fallbrook Union Elementary School District has asked its team to provide regular factual updates about 2017-2018 negotiations with the Fallbrook Elementary Teachers Association.

The District and FETA teams have met three times: September 29, 2017; November 29, 2017 and December 13, 2017.

Limited Negotiations for 2017-2018

This year's negotiations are limited to Article 11 (Salaries and Fringe Benefits) and one additional article per team. The District has opened the layoff article (Article 13) to more closely follow Education Code requirements. FETA has opened Class Size (Article 10).

Team Members

The District's team members are:

Stacy Allen, Confidential Personnel Technician; Joe Kniseley, Principal Fallbrook Street School; Chad McGough, Principal Mary Fay Pendleton School; Julie Norby, Assistant Superintendent Educational Services; Ray Proctor, Associate Superintendent Business Services; Leonard Rodriguez, Executive Director of Pupil Services; Bill Billingsley, Assistant Superintendent Human Resources.

The Association's bargaining team members are: Ana Arias, Maie Ellis Elementary; Ann Brennan, Potter Junior High; Chuck Floto, Potter Junior High; Elsa Grijalva, La Paloma Elementary; Dale

Leonard, La Paloma Elementary; Jenn Mariucci, Maie Ellis Elementary; Ken Ostroske, La Paloma Elementary; MaryAnn Polyascko, Fallbrook Homeschool Academy; Zach Wilkinson, Potter Junior High.

Information Shared and Proposals Exchanged

At prior sessions the District team reviewed total compensation increases that the District and FETA have negotiated over the past several years:

2016-2017: 3.50% ongoing salary schedule increase; BTSA stipend increased from \$750 to \$1,000

2015-2016: 4.00% ongoing salary schedule increase

2014-2015: 3.00% ongoing salary schedule increase; \$500 off schedule payment; \$750 increase to benefits cap

2013-2014: 3.00% ongoing salary schedule increase; 4.00% off schedule payment; 3 days of professional development at per diem

The District team also shared data about **step and column increases** (between 3% and 4% for many employees); **rising health and welfare benefits costs** (2.8% increase for Kaiser and 5.5% increase for United Health Care for Plan Year 2018); and **increasing pension costs (STRS)**. By the year 2020-2021, the employer contribution rate to STRS will increase significantly to 19.1% (up from 8.25% in 2013-2014). Between 2013-2014 and 2020-21, the District's contribution to STRS will increase by \$3.7 million.



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The District also shared information about **declining enrollment**, which negatively impacts the District's annual budget, ongoing revenue and economic outlook. During the 2010-2011 school year there were 5,860 students in attendance. This year enrollment has decreased to 4,788 students (the lost ADA for 1,072 students is approximately \$10 million).

Lastly, the District shared that currently FUESD has one of the **lowest reserve balances in the County**. FUESD's Total Reserve amount decreased from \$15 million to \$8 million between 2011-2012 and 2016-2017. Total reserves as a percentage of expenditures dropped from 27% to 13% between 2011-2012 and 2016-2017.

FETA's 2017-2018 Total Compensation Proposal

FETA has proposed a three percent (3%) ongoing salary schedule increase; additional step increases to the school psychologist/speech pathologist salary schedule; and fully paid health insurance coverage for employees and their dependents (no less than the Kaiser 10/10 plan).

District's 2017-2018 Total Compensation Proposal (attached)

The District team shared that the Board has been and remains committed to sustainable and responsible increases to employee compensation. The District team shared this commitment has continued notwithstanding the challenges outlined above, including years of declining enrollment, corresponding revenue losses and soaring STRS costs. The Board's ongoing commitment has

kept District employees' compensation ahead of most other districts in the County.

At the December 13 session, the District proposed the following:

- a one percent (1%) ongoing salary schedule increase, effective July 1, 2017;
- a two percent (2%) one-time payment to be paid during the 2017-2018 school year;
- as an alternative to either the 1% ongoing salary schedule increase or the 2% one-time payment set forth above, the District proposed to increase the current hard cap by a corresponding amount; and,
- an additional step (Step 11) to the school psychologist/speech pathologist salary schedule.

The District also proposed to omit sections 13.5 and 13.6 from the Agreement and to instead adhere to Education Code requirements consistent with section 13.2.

Class Size

The teams have had open and candid discussions about class sizes at the middle and junior high school grade levels and details surrounding the creation of each school's master schedule. Those discussions will continue at the next session(s).

Next Session— January 30, 2018

The teams will meet again on January 30, 2018.