

LAMOILLE NORTH SUPERVISORY UNION  
BOARD NEGOTIATION COUNCIL  
TEACHER NEGOTIATIONS MEETING  
WEDNESDAY, MARCH 22, 2017  
GREEN MOUNTAIN TECHNOLOGY & CAREER CENTER

BNC members present: Bernard Barnes, Mark Nielsen, Chasity Fagnant, Katie Orost, Marshall Pahl  
Others present: Charleen McFarlane, Catherine Gallagher, Deb Clark, Cindy Koenemann-Warren, Suzanne Dirmaier, Peter Lavigne, Margot Tillotson, Audri Miller, Brian Schwartz, Jean Feeney, Amy Tatro, Jacie Kendrew, Melissa Greenwood, 2 other teachers

**Note: All votes taken are unanimous unless otherwise noted.**

**1. *Call to Order and Approval of Agenda***

B. Barnes called the meeting to order at 6:00.

**2. *Teacher Negotiations***

B. Barnes moved to go into executive session at 6:00 to discuss teacher negotiations because premature general public knowledge would clearly place the school board at a substantial disadvantage, C. Fagnant seconded and the motion was passed.

The BNC consented out of executive session at 6:27. M. Pahl arrived at 6:30.

**3. *Meeting with Teacher Association***

At 6:31 Suzanne Dirmaier and the teachers arrived.

Cindy Koenemann-Warren introduced herself. She said she is here from Pietro Lynn's firm and will speak for the board. She said her understanding is that the association has a couple of presentations. The board is interested in hearing back from the association on the association's salary proposal.

Amy Tatro said Brian Schwartz will talk about CTE credits for tech center teachers. Jacie Kendrew said they want to bring up for reconsideration their proposal regarding 6.6.9-3 (CTE horizontal columns.) Brian said originally they proposed striking that teachers can only move across one column per year. He works at the tech center. There are 18 teachers at the tech center but only about 2 or 3 are currently going through the VTC teacher accreditation procedure. In the past, before Charleen McFarlane and Sherry Lussier were in their current positions, the interpretation of the contract was that when a teacher was hired for CTE they were on probation while they went through the 3 year credential procedure. The former HR director's interpretation was that while they were on a probationary license they weren't able to apply for horizontal moves. When they went to a full license they could use the 45 credits they had earned to move horizontally. Charleen's interpretation was that she would classify a provisional license as a license and teachers could apply year by year for those moves while going through the credential procedure. They proposed taking out the language about only moving one column a year based on the previous interpretation. In the future another HR director could have a different interpretation so they still propose taking out the language limiting CTE teachers to one column per year.

Jacie Kendrew discussed the language about grandfathered horizontal movement. The BNC proposed to strike it and the association proposed different language. She feels the last time the contract was talked about there may have been a misinterpretation. What the association was proposing was that if a teacher has a lot of credits before their master's that do not count as part of their master's, they wouldn't necessarily lose those credits. The credits would not expire and could be used in the future. A teacher could still only make one horizontal movement per year but after getting a master's they could after a few years use those credits for another horizontal move. She wanted to clarify that.

The association also wants to ask the BNC to understand why they asked that teachers be compensated for sub coverage. What is happening at some schools, especially Lamoille Union, is that there is a sub shortage and teachers are giving up planning periods to cover for absent colleagues. It happens very frequently. If a teacher gives up a planning period per request of the office the association would like for them to be compensated for that.

Audri Miller talked about the association's career change incentive proposal, which they are asking the board to reconsider. In her opinion it was dismissed out of hand as asking the board to pay 66% of a teacher's salary to resign. She felt that was very inaccurate. She thought the board might see if she fleshed it out that there is significant potential for cost savings.

In 2010 there was a change to teachers' requirements for full retirement age. She believes this has put a big financial burden on school districts. Teachers are working more years. More experienced teachers cost more in salary and boards can't hire new talent as senior teachers have to work 2 to 9 years more. There is an option for teachers with 25 years of service to purchase "air time." The career change incentive would help them with that. A teacher that chooses the career change incentive would receive 66% of their salary, but spread over 3 years, so they would get 22% in any given year. She gave an example showing that if she took advantage of the proposed incentive there could be savings of \$100 to \$13,467 per year (\$300 to \$40,401 over the 3-year period), depending on where the new hire was placed. She gave another example of a hypothetical teacher, showing that there would be savings of \$1,260 to \$37,020 if the teacher took advantage of the incentive.

Amy Tatro said the association has a counter proposal on 7.3.6-4. They propose putting the HR director in an advisory role on the committee.

They also have a counter on the health insurance buyout number. They propose \$3,750 for the cash in lieu of benefit.

The BNC's healthcare proposal was distributed. The groups agreed on a 15-minute caucus. The caucus began at 6:53.

The BNC consented into executive session. The BNC consented out of executive session at 7:08.

Suzanne Dirmaier and the teachers came back at 7:15.

Jacie Kendrew presented a counter to the BNC's healthcare and salary proposals. Healthcare plans are changing. She said currently employees do not pay a deductible. Out of pocket costs are mostly limited to copays and prescription drugs. She said under the new plans premiums will be slightly cheaper and out of pocket expenses will be much higher. She showed scenarios for 3 example families, illustrating how their expected out of pocket costs would be higher. She said the association has been discussing how to compensate for those increased costs. They appreciate the HSA choice but they feel HSA's are meant to be supplemental spending accounts to offset normal costs. HRA's are set up so employers can reimburse employees for out of pocket expenses. The priority should be to look out for the best interest of all employees while also being mindful of the cost to the taxpayers. They don't feel giving teachers a choice between an HSA and an HRA supports these priorities.

Unused money budgeted for HRA's goes back to taxpayers. HSA funds stay with the teacher and are rolled into IRA's. That is not best for the taxpayers or even for the teachers. Not every employee qualifies for an HSA. Suzanne Dirmaier explained that there are exclusions. Employees who enroll in Medicare Part A are excluded from HSA's. Employees with certain social security benefits are excluded. Non-dependent adult children up to age 26 who are on parents' plans are not eligible. Any employee with Tricare benefits from the military is not eligible. J. Kendrew said they don't feel HSA's are sustainable for boards. They believe healthcare funds should stay healthcare funds and not go into retirement accounts. A choice between an HRA and an HSA will be confusing to employees. HSA's do not create equal risk for all employees. An employee with minimal healthcare needs who chooses an HSA will be a winner. They will end up with extra money saved for their retirement. Some others who choose an HSA (for instance, those with emergency room visits, chronic conditions, multiple prescriptions, or sick kids) will be losers. They will not save any additional retirement money, which is unfair. And not all people are eligible for HSA's, which means some people will get money for retirement while others don't even get that option.

Employees choosing an HSA are the same employees who will most likely use little of their funds. If they were in the HRA they would cost taxpayers little to nothing. With a choice, budgeting will be difficult since members who don't use their insurance will pick an HSA and those who use insurance will pick an HRA. They feel an HRA without a choice is in the best interest of teachers and taxpayers.

They propose that teachers pay 15% and the board pay 85% of the premium for Gold CDHP. They propose that the board provide 95% of first dollar out of pocket costs of an integrated HRA with teachers contributing the last 5%. They propose that the board assume the administrative costs.

They feel some numbers in the current plans are a little deceptive. Hardly anyone reaches the out of pocket maximum for prescriptions, for instance. With the new plans more people will hit their out of pocket maximums. The only thing employees have to pay a deductible on now is durable medical equipment. Employees aren't incurring many out of pocket costs now or hitting out of pocket maxes, but with the new plans they will have more out of pocket costs.

J. Kendrew said the association respects the board's desire to keep costs down. Many teachers live and pay taxes in the communities we serve. We are losing quality teachers. Many live paycheck to paycheck and leave the district for higher paying jobs. She knows many teachers who have second jobs. These factors negatively impact the quality of education. Many people feel they have no choice but to leave for better paying jobs. Inflation rates are expected to rise consistently over the next 5 years. Rates could reach as high as 2.5% nationwide. Vermont recognizes this. That is why they have been raising the minimum wage. They are increasing it from \$10.00 to \$10.50 (4.76%) and then are going to index it to inflation. Our teachers are already struggling with their current salaries. A 2 or 2.5% raise would only bring them even with the cost of living and therefore would not be a true salary increase at all.

The proposed board salary schedule allocates all employees the same fixed dollar amount increase. That sends the message to teachers that continuing their education and staying in the profession and in our district is not valued. An indexed salary schedule encourages teachers to increase their level of education and remain in the district. The current board proposal would be a step backwards for teachers because the proposed fixed dollar increase amount is substantially less than one current step on the FY17 schedule.

The association's latest salary proposal reduces the percentage they propose to add to the base. They also eliminated the "master's incentive." They propose that 3.5% be added to the base pay in FY18 and teachers be given one vertical step. They propose that 3.5% be added to the base pay in FY19 and teachers be given one vertical step.

J. Kendrew showed the anticipated budgetary impact of their healthcare proposal, assuming the board budgeted 50% of the cost for every person to use their entire HRA fund. The total anticipated cost would be \$2,657,961.19 in FY18 and \$2,282,384.17 in FY19, compared to \$2,672,538.21 in FY17. She explained why the full amount of HRA funds needs to be budgeted in both FY18 and FY19, even though the new health plans will be in effect for only half of FY18.

The percent new money proposed by the association for salary and healthcare is 4.32% for FY18 and 1.27% for FY19.

S. Dirmaier handed out a color coded map she had created, comparing teacher salaries in surrounding communities to the board's proposed salary grid for FY18 and FY19. She said this map shows that the board's proposal doesn't achieve the goals of stopping loss of teachers, as it does not change which communities pay more than we do. That is one reason the association is not in favor of the board's proposal.

The groups separated to caucus at 7:42. The BNC consented into executive session. The BNC consented out of executive session at 8:13.

S. Dirmaier and teachers came back at 8:15.

C. Koenemann-Warren said the BNC feels everyone is making a good faith effort. The BNC appreciated the thoughtfulness of the presentation. We all agree this is complicated.

We don't seem able to agree on which philosophy to follow on what it means to make employees whole on health insurance. We are still far apart on salary with the last association proposal at 5% and settlements coming close to 3%. The BNC has a counter offer but they are not sure it would change anything because philosophically we are not on the same page. The BNC does value teachers. We want everyone to benefit from potential savings on healthcare. We feel we need help so we want to declare impasse. We would like to start the process of finding a mediator immediately. But while we wait if either side has a proposal the BNC is very receptive. We want to keep lines of communication open. We want mediation scheduled as soon as possible.

S. Dirmaier said it's not impossible for people to settle before mediation happens.

S. Dirmaier and teachers left at 8:19.

**4. Adjourn**

The meeting was adjourned by consent at 8:20.

*Minutes submitted by Donna Griffiths*