



Harmony

Union School District

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Negotiations Bulletin #1

Harmony Union School District (District) is currently in negotiations with the Harmony Union Teachers Association (HUTA), the union that represents the District's certificated employees. The District and HUTA had their first negotiation session for the 2018-19 school year on October 18, 2018 followed by four additional meetings. This news bulletin and any subsequent ones are meant to inform our community members and District partners about the ongoing negotiations between HUTA and the District.

Definitions:

Interest Based Bargaining (IBB): A negotiating strategy in which both sides start with declarations of their interests, instead of putting forward proposals, and work to develop agreements that satisfy common interests and balance opposing interests. IBB is also called integrative or win-win bargaining.

Traditional (Positional) Bargaining: Generally refers to a situation where each side places their demands and proposals on the table and the other side responds with counter-proposals. The process is characterized by give and take.

Average Daily Attendance (ADA): The aggregate number of days of attendance of all students during a school year divided by the number of days school is in session during that school year (number of students actually in seats not number of students enrolled in the District).

On Salary Schedule: This means any increase on the salary schedule will require the District to pay that amount every year hence forth (on-going expenditure).

Cost of Living (COLA): Generally the state provides Districts Cost of Living (COLA) increases which also is added to the Districts revenue every year. HUSD does not receive COLA funding due to being a Basic Aide Supplemental District; the District's funding is based solely on property taxes and ADA, which fluctuates from year to year.

Off Salary Schedule: This is a one-time bonus, this means the money is given one-time and only for that year and not added to the salary schedule (this is a one-time expenditure).

Step and Column (Salary Schedule): A salary step is an incremental increase in a salary based on previous qualifying professional experience and number of years of teaching within the District. Movement on the Salary schedule occurs annually.

Total Compensation: The District's total cost of an employee (salary, step in column, health and welfare, and statutory benefits such as CalSTRS).

Increased Retirement Costs to District

Currently the district contributes 16.28% of members' creditable earnings to State Teachers Retirement System (STRS). The cost for STRS continues to increase by 1.85% per year. While the Governor's January budget proposes some support to cover employer contribution rates in 2019-20 and 2020-21, the unfunded employer liability continues to require school districts to pay increased costs with no additional revenue through 2022-23.

How do we compare?

The comparison chart below illustrates seven comparable districts in Sonoma County. This group of districts was mutually selected by HUTA and the District because these seven districts had many similarities to our District. These districts were considered our "standards" for comparisons. At the December 6th negotiations meeting, HUTA decided they no longer wanted to use these standards for comparisons. Instead, HUTA proposed to use the "state average." It is unrealistic to try and calculate state averages for salaries due to funding differences and other nuanced issues, such as class sizes, length of the workday, amount of prep/release time, and in-classroom support. Funding is allocated based on a variety of factors, including ADA (number of students in seats), and therefore funding averages vary widely between elementary, high school, and unified districts. Funding also varies between industrialized cities and rural areas.



Total Compensation Comparison (Created for the December negotiations meetings)

District	# Of Work Days	ADA (average number of students in seats)	Step 10 BA+60	Rank	Top Step	Rank	Years to the Top	Health/Welfare			Total Compensation (Step 10 + Double H/W 12 months)	Rank
								Single	Double	Family		
Cinnabar	186	284	\$60,689	8	\$78,585	8	31	\$600	\$600	\$600	\$67,889	8
Forestville	183	250	\$62,658	5	\$81,864	5	30	\$885	\$885	\$885	\$73,278	7
Gravenstein	183	691	\$67,490	2	\$90,711	1	30	\$600	\$650	\$700	\$75,290	6
Guerneville	185	271	\$62,035	7	\$82,059	4	30	\$1,200	\$1,200	\$1,200	\$76,435	4
Oak Grove	184	817	\$62,118	6	\$79,932	7	26	\$1,514	\$1,556	\$1,724	\$80,790	2
Sebastopol	187	470	\$66,217	4	\$81,612	6	24	\$969	\$969	\$969	\$77,845	3
Wilmar	186	243	\$67,099	3	\$86,969	3	25	\$750	\$750	\$750	\$76,099	5
HUSD	185	238	\$69,846	1	\$88,985	2	22	\$852	\$1,381	\$1,763	\$86,418	1

Based on the above, the District ranks number 1 or number 2 in all areas. It should also be taken into consideration that the District has a lower ADA and fewer years to reach the top of the salary schedule than the other comparable districts.

Summary of Negotiations:

October 18, 2018

The District and HUTA reviewed Interest Based Bargaining (IBB) process and began working on options for the following articles:

- Article 8 – Hours of Employment
- Article 14 and 15– Wages and Health and Dental Benefits

November 8, 2018

The District and HUTA continued with the IBB process and created options for the following Article 8 and parts of Article 14.

December 6, 2018

The District and HUTA created a tentative agreement through the IBB process for Article 8 and part of Article 14.

December 13, 2018

The District presented a budget overview to HUTA which included comparisons for salary and health and dental compensation. HUTA decided it was no longer interested in the IBB process and the IBB facilitator excused himself from the negotiations table. The process will now be “traditional bargaining” (positional bargaining).

The District's Compensation Proposal:

- Article 14: 5% on salary schedule plus 1% step and column for 2018-2019
 3% on salary schedule plus 1% step and column for 2019-2020
 3% on salary schedule plus 1% step and column for 2020-2021
 For 2021-22 the salary schedule would revert back to the 2018-19 salary schedule with a 3% on schedule plus 1% step and column unless negotiated otherwise by HUTA and the District.
- Article 15: Maintain current health and dental benefits

School Year	Salary Increase	Health and Welfare	Total Compensation
2018-2019	\$84,447	\$237,287	\$321,734



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2019-2020	\$87,825	\$244,406	\$332,231
2020-2021	\$91,338	\$251,738	\$343,076
2021-2022	\$56,298	\$259,290	\$315,588

HUTA's Compensation Proposal:

- Article 14: Initial Proposal: 17.7% on salary schedule plus 1% step and column for 2018-2019
- Article 14: Counter Proposal: 17.7% on salary schedule plus 1% step and column for 2018-2019
 2.57% on salary schedule plus 1% step and column for 2019-2020
 2.67% on salary schedule plus 1% step and column for 2020-2021
- Article 15 For Both Proposals: Maintain current health and dental benefits

School Year	Salary Increase	Health and Welfare	Total Compensation
2018-2019	\$249,120	\$237,287	\$486,407
2019-2020	\$262,014	\$244,406	\$506,420
2020-2021	\$263,227	\$251,738	\$514,965

January 23, 2019

The District's Compensation Counter Proposal:

- Article 14: 2% on salary schedule plus 1% step and column in 2018-2019
 1% step and column and 7% off salary schedule in 2019-2020
 1% step and column and 7% off salary schedule in 2020-2021
- Article 15: Maintain current health and dental benefits

School Year	Salary Increase	Health and Welfare	Total Compensation
2018-2019	\$42,224 (on salary schedule)	\$237,287	\$279,511
2019-2020	\$54,407 (off salary schedule)	\$244,406	\$298,813
2020-2021	\$70,106 (off salary schedule)	\$251,738	\$321,844

HUTA's Compensation Counter Proposal:

- Article 14: 7% on salary schedule plus 1% step and column for 2018-2019
 5% on salary schedule plus 1% step and column for 2019-2020
 5% on salary schedule plus 1% step and column for 2020-2021
- Article 15: Maintain current health and dental benefits

School Year	Salary Increase	Health and Welfare	Total Compensation
2018-2019	\$112,597	\$237,287	\$349,884
2019-2020	\$119,352	\$244,406	\$363,758
2020-2021	\$126,513	\$251,738	\$378,251

Current Status of Negotiations

HUTA has stated that the counterproposal offered on January 23, 2019 is its best and final offer. The District will be taking the counterproposal to the Governing Board for review on February 21, 2019.

Note: These calculations only reflect the cost of certificated employees and are estimated.