

To: All Staff

From: Board Negotiations Team

RE: Licensed and Classified Union negotiations

As many of you know, the Board is negotiating with both Unions this year. Our Classified contract expires June 30, 2012, but contains an economic reopener for 2011-12, while our Licensed contract expires June 30, 2011. The evening of May 16, the Board bargaining team (Megan Jacquot, Doug Gauntz, Bob Adams, BJ Hollensteiner, Sherri Flora and Jessica Knieling) met with both Unions to exchange initial proposals.

CLASSIFIED

Our first meeting was with the Classified Union team: Robin Bridges, Brenda Heaney, Tobi Simmons and Ross Lorenzo. Under the reopener, wages and insurance were on the table and both parties could bring two additional articles if desired. Neither party brought additional language. Following the initial exchange of proposals there was discussion about the financial challenges facing both the district and our employees. The parties worked to reach a settlement that would honor the shared interests of the parties as well as be realistic. We are pleased to report that we reached a tentative agreement with our Classified Union and expect to be able to share details of the settlement following the review of the parties.

LICENSED

Our second meeting was scheduled with the Licensed Union team: Blaine Deming, Gabe Shorb, Robert Monroe, Tanya Sinko, Beth Taft and Susan Anderson. The parties both wanted to have negotiations to be open to the public and agreed to hold future meetings at the Middle School (when possible) and to tentatively schedule meetings for 5:30-9:30 pm. The parties exchanged full and complete proposals. Copies of the proposals can be found in the "Newsletter" section at www.nbend.k12.or.us.

The Board shared that it had focused its initial proposal on the most critical issue facing the district today – economics. The Board sought to craft a proposal that would retain as many staff and programs for students and the community as possible in light of reduced state funding. To that end, the Board proposed maintaining the current insurance contribution of \$1,010 per employee per month and current salary schedule over the next biennium (2011-13) including granting step salary increases to all eligible employees each year. The Board also proposed funding language that would allow the Board to reduce days. The Board was very clear that under the current funding scenario, the District was confident it would maintain a full school year with no cut days, but needs the flexibility in the contract should funding be reduced, as has so often happened in Oregon. The total money offered by the Board over the two year period to the Union was approximately \$197,000.

The Union presented a proposal with significant language changes including sick leave bank, hiring, tuition reimbursement, funding, transfers and layoff. Perhaps most troubling to the Board team was the Union's economic proposal. The Union proposed respectively 3% plus steps and 2% plus steps on the

salary schedule and an annual increase of 10% to the insurance cap resulting in a cap of \$1,266.94 per month at the end of the contract. The Union's proposal would result in an increased cost of approximately \$348,000 in year 1 and an additional \$297,000 in year 2 of the contract. This number reflects salary and insurance alone and does not take into account the economic impacts of their language proposals.

The Union acknowledged the District's inability to fund their economic proposal but proffered no alternative. At the next meeting, scheduled for June 6, the District agreed to review the language proposals and respond at a minimum to the sick leave bank proposal and retiree language. The Union agreed to respond to our economic proposal. The Board is hopeful that we will see a more realistic approach to economics that does reflect our ability to pay.

The Board further encouraged the Union to provide specifics surrounding any concerns they have, particularly with economics, so that we could come prepared to share facts and have an informative conversation about concerns and perceptions.

Additional dates for licensed bargaining are June 6, July 21 and August 22.