

NEGOTIATION MINUTES  
APRIL 25, 2018  
TROY ELEMENTARY SCHOOL

District Members: James Fry, Negotiator; Dana Hoskins; Brad Malm, Supt.; Theresa Priebe, Clerk  
TEA Members: Alison Bohman, Negotiator; Crystal Tibbals

James Fry called the meeting to order at 6:00 p.m. and everyone introduced themselves around the table.

James Fry stated first of all, I would just like to say, we would like to meet after the levy is done once a week until it's complete so that we can just continue to work through things, hopefully no more than an hour at a time unless it's agreed upon by both parties. If we're into to a discussion where we say let's keep discussing that, then if it's agreed upon, then we can stay a little bit longer. Is that in agreement with you?

Alison Bohman stated sure. So, you're saying instead of actually starting tonight, that we will....

James Fry stated we'll still start tonight and exchange lists and what not. But, until the levy passes..

Alison Bohman stated we'll kinda hold off until then...

James Fry stated we'll hold off and then we'll start meeting at a regular timeframe. If that makes sense.

Alison Bohman and Crystal Tibbals both stated yes, that will work.

James Fry stated so, do you have your list?

Alison Bohman stated we do have our list.

Alison Bohman and James Fry exchanged lists.

Long pause.....teams reading lists.

Alison Bohman stated do you want me to just read through our list so that it's on record.

James Fry stated sure.

Alison Bohman stated TEA proposes the following: Reinstate the 2017-2018 Master Agreement for 2018-2019 with the following proposed changes: a. Movement on the salary schedule (steps and lanes); b. Salary Increase-3% on base that would apply to all employees; c. Change Bereavement Leave to Emergency Leave; and d. Change Association Leave so all members (certified and classified) can access it.

James Fry stated so we both are writing down the same thing. So, can you give us a definition for the difference between bereavement leave and emergency leave?

Alison Bohman stated right. I'll use my example. So, after the house fire what kind of leave do I use? You know, I ended up using sick leave but really, you know, was I sick? No, not really. Could I come back to

work? No, because I was trying to find a place to live. Should it be personal leave? So, we were thinking that if we change that to emergency leave, maybe that would compensate for something like a house fire. What else did we come up with?

Crystal Tibbals stated that we talked about like end of life situations. I had a situation where my father was very, very ill with cancer and he wanted to take a trip as a family and it was like....what? We worked it out and it was fine. But it would be something with extenuating circumstances. It could be something that could be accessed.

Alison Bohman stated that there was something else that somebody brought up and now, I'm drawing a blank, but, that's kinda what we were getting at. It wouldn't have to be called emergency leave. It could be whatever, but

Crystal Tibbals stated that is what the U of I uses. They have an emergency leave. I think WSU has a similar policy that was used. They don't have a bereavement policy; they have an emergency leave policy. That's where that term came from.

James Fry stated and then, change association leave so all members can access it.

Alison Bohman stated right now it's just for certified. And, what we run into is for that the Delegate Assembly, Kim Espy has been going to that and she can't access this leave to attend it.

Crystal Tibbals stated that there is also more trainings that being developed for the support personnel. There are just professional development things that help to enhance them as educators and as team members. It would be great to build in some kind of accessibility for them.

Alison Bohman stated right.

Crystal Tibbals stated because it is their professional education.

James Fry stated and then, correct me if I am wrong, I know that you put here salary increase 3%. The increase will apply to all employees. You can only negotiate for the teachers

Alison Bohman stated right.

James Fry stated correct? Ok. I just wanted it clarified. That when you say all employees, you're talking all teachers.

Alison Bohman stated we like to add in all employees because the Board has been very good in the past about extending it to all employees. We understand.

James Fry stated but you understand you're negotiating for the teachers.

Alison Bohman stated we do.

James Fry stated do you have any questions further?

Alison Bohman stated no.

James Fry stated so now I'm not going to read ours out loud because it's too long.

Very long pause.....Alison Bohman and Crystal Tibbals reading the District's list of items silently. The items from the District included: 1) Insert 2018-19 Procedural Agreement at the beginning of the Master Agreement; 2) Remove Section 9.02 Cash in Lieu; and 3) Insert 2018-19 Language below Page 1 after signatures. Here is the complete list:

## **Troy School District #287 2018-19 Negotiated Items**

### **1) Insert 2018-19 Procedural Agreement At the Beginning of the Master Agreement**

#### **TROY District & Association PROCEDURAL AGREEMENT 2018-2019**

This agreement entered into by the Board of Trustees of the Troy School District #287 (hereafter referred to as the Board) and the Troy Education Association (hereafter referred to as the Association), pursuant to the laws of the State of Idaho, and aforementioned parties agree to as follows:

1. **Definitions (per Idaho Code 33-1272):**

"Professional Employee" means any certificated employee of a school district, provided however, that administrative personnel including superintendents, supervisors or principals and those employed pursuant to Idaho Code 33-1004 H are excluded from the professional employee group for the purposes of negotiations.

"Local education organization" means any local district organization duly chosen and selected by fifty percent (50%) plus one (1) of the professional employees, defined above, as their representative organization for negotiations.

"Negotiations" means publicly meeting and conferring in good faith by a local board of trustees and the authorized local education organization, or the respective designated representatives of both parties for the purpose of reaching an agreement, upon matters and conditions subject to negotiations as specified in a negotiation agreement between said parties. For the purpose of this section, "good faith" means honesty, fairness and lawfulness of purpose with the absence of any intent to defraud, act maliciously or take unfair advantage or the observance of reasonable standard of fair dealing.

2. **Bargaining Units:**

The Board recognizes the Association as the exclusive bargaining representative of all professional employees as defined herein.

3. **Negotiations:**

3-1. The local education organization shall provide proof of selection for representation obtained in the last two (2) years. Such proof must be provided on or before February 28<sup>th</sup> of each year. The signatures presented must be current professional employees in order to be valid for purposes of negotiations.

3-2. Five (5) days prior to the first negotiations session, the Association will submit complete written proposals to the Board.

3-3. The District and the Association agree to negotiate salaries, the salary schedule, health and accident insurance, major medical insurance, extra-curricular pay, sick leave, personal leave, professional leave and communication.

4. Meetings:

- 4-1. Both parties agree the first negotiations meeting will occur the second week of March.
- 4-2. Negotiations shall commence at a time and place agreeable to the negotiators for each party prior to the first meeting.
- 4-3. The Board shall appoint a recording secretary who may sit at the bargaining table to take minutes of the sessions. Each team will be provided a copy of the minutes within five (5) days of the negotiation session. The recording secretary may tape record negotiation sessions.
- 4-4. Each succeeding meeting time, place and date will be agreed upon at the close of the preceding meeting.
- 4-5. The length of each meeting session will not exceed one (1) hour unless the parties mutually agree to extend the time. Any such agreement shall be included in the minutes.
- 4-6. Regular negotiations will not be conducted during the school day.
- 4-7. Either party may call a recess.

5. Negotiation Teams:

- 5-1. The negotiating team for each party shall consist of no more than three members, one of who shall be selected as chief negotiator. Only the chief negotiator for each party may bargain on behalf of their negotiation team. Either party may, with the consent of the other, invite an outside advisor to speak to specific issues.
- 5-2. All Sessions must be open.

6. Signed Agreements:

Proposals, which are tentatively agreed to, shall be initialed by the chief negotiator of both negotiations teams at the session in which they agree.

7. Dispute Resolutions:

- 7-1. If, on May 1<sup>st</sup>, a dispute exists concerning unresolved items under 3-3 above, mediation under the auspices of the Federal Mediation and Conciliation Service shall be utilized to help resolve the dispute. Prior to May 1, either party may request mediation.
- 7-2. At the time mediation is requested, the party declaring impasse must identify the areas of dispute in writing to the other party.
- 7-3. Cost of a mediator, if any shall be shared equally by both parties involved.

8. Ratification:

All items agreed to by both negotiating teams are tentative until ratified by the Association and the Board. Ratification shall be on the entire package only.

9. Term of Agreement (Idaho Code 33-1275):

(1) All agreements, by any name or title, entered into pursuant to the provisions of this act, shall have a one (1) year duration of July 1 through June 30 of the ensuing fiscal year. The parties shall not have the authority to enter any agreement negotiated under the provisions of this act that has any term that

allows for such agreement or any provision of such agreement to be in any force or effect for multiple years or indefinitely, or otherwise does not expire on its own terms on or before June 30 of the ensuing fiscal year.

(2) Notwithstanding the provisions of subsection (1) of this section, upon mutual ratification, any item other than compensation and benefits as defined in subsection (3) of this section of any agreement entered into pursuant to this act may have a non-rolling two (2) year duration with a designated start date and end date. A second year term for any item not defined in subsection (3) of this section cannot be added, automatically or by mutual consent, back into the agreement after the expiration of the first year but rather may be addressed by the parties at the expiration of the end date of the two (2) year term.

(3) For purposes of this agreement, "compensation" means salary and benefits for professional employees. "Benefits" means employee insurance, leave time and sick leave benefits.

## 2) Remove Section 9.02

### SECTION 9.0 – MEDICAL INSURANCE

#### 9.01 Insurance

The Board agrees to pay the full premium cost for major medical, vision and dental insurance for the employee only. Agreed deductible for the 2017-2018 school year is \$2,000 with a \$1,500 buy-down by the district amounting in a \$500 deductible. The employee will also assume the cost of the 10% co-pay for a maximum employee responsibility of \$650.00.

REMOVE

#### ~~9.02 Cash-in-Lieu~~

~~An employee hired before July 1, 2002 may elect to receive cash in lieu of medical insurance if they are covered under their spouse's group insurance. The payment of cash in lieu of medical insurance will be calculated as follows: The employee cost of health insurance, dental and vision from which shall be deducted the employer's share of Social Security and Medicare, the PERSI employer's share, and the PERSI unused sick leave contribution.~~

#### Rationale

An employer's offer of cash-in-lieu of health (or other) benefits to employees is not per se a violation of the law, but the manner in which it's being offered at Troy SD gives us at The Murray Group concern. The first issue is that the only way to offer cash-in-lieu legally is to do so within a properly formed and managed Section 125 cafeteria plan. This means that the option of cash-in-lieu must be part of a written plan that includes all the options available to employees, including for example, health, disability, and other benefits. Here, Troy SD does not have a written Section 125 plan, and the option of cash-in-lieu is not available to all employees.

The second issue is that, absent a Section 125 plan, a cash-in-lieu option almost certainly defaults in the law's eyes to a health reimbursement account (HRA). Under current ACA rules, an HRA in most cases must be connected to a health plan that meets other ACA requirements

(e.g., offers essential health benefits, etc.). In addition to defeating the purpose of a cash-in-lieu option, the default application of the HRA rules pose potential liabilities, such as violations of the tax code (assuming the cash-in-lieu option is not included as taxable income), violations of ACA rules prohibiting annual and lifetime maximums on health benefits, violations of state insurance code regarding the need to draft and distribute a properly formed plan document, and violations of the HIPAA nondiscrimination rules (i.e., offering benefits to certain employees while not offering them to others).

These concerns are significant enough for us to suggest that Troy SD revisit its policy of offering cash-in-lieu and either end the practice, or, with our help, craft a different version of the offering to comply with applicable law.

#### Potential Cost Breakdown of adding Cash-in-lieu to Section 125 plan Language

- Adding language for Cash in Lieu to Section 125 = \$2,000.
- Currently 2 employees receive Cash in Lieu = \$1291.90 per month = \$15,502.80 per year
- Predicting 7 employees would leave current medical plan and take Cash in Lieu = \$4,521.65 per month = \$54,259.80 per year
- Anticipate an additional 14 people that currently do not have medical paid by Troy SD would be entitled to Cash in Lieu = \$9,043.30 per month = \$108,520 per year + PERSI 20.13% = \$131,450.28 added cost to the district.
- Total estimated cost for all Cash in Lieu = \$203,212.88 yearly, this is a \$133,450.28 increase to current yearly cost.

### **3) Insert 2018-19 Language Below Page 1 Following Signatures**

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision. Any invalid or unenforceable provision shall be deemed severed from this Agreement to the extent of its invalidity or unenforceability, and this Agreement shall be construed and enforced as if the Agreement did not contain that particular provision to the extent of its invalidity or unenforceability.

Alison Bohman stated so, just to clarify. Are you proposing adding language in that states \$2000 for the Cash in Lieu? Am I reading that correctly?

James Fry stated so my understanding is, correct me if I'm wrong Brad. With the Cash in Lieu, you have to have it under the Section 125 Plan. So, if it went to where we had to have a 125 Plan, that language would be added for Cash in Lieu in Section. That Section is not in there right now. We would have to add that in and it costs \$2000 to add that in.

Alison Bohman stated I see.

Brad Malm stated exactly.

James Fry stated I have one more clarifying question when you are done. So, you are talking about this Bereavement leave to Emergency leave. So, in the Master Contract, it talks about Emergency Duty Leave. You would have an Emergency Duty Leave and then an Emergency Leave that would be a new section, correct?

Alison Bohman stated emergency duty leave, I think, applies to EMT's, police....

James Fry stated police, fire and all that.

Alison Bohman stated yes.

James Fry stated I just wanted to clarify that wasn't where you were gonna...

Alison Bohman stated and that's where I am saying, maybe we'd want to call it something different so that the two aren't confused. I don't know. I'm not sure about that.

James Fry stated okay. Do you have any other questions for us for clarification points?

Alison Bohman stated I don't think at this point I do.

James Fry stated do you want to break for 10 minutes, go talk a little bit, and then we'll come back. Will that work?

Alison Bohman stated sure. That sounds good.

Both teams went to caucus at 6:10 p.m.  
Both teams returned to the table at 6:32 p.m.

James Fry stated just to repeat, do you have any additional questions for us?

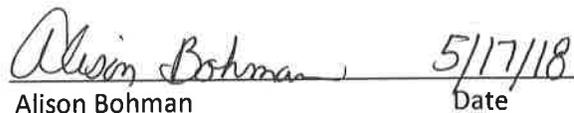
Alison Bohman stated I don't think so at this point. It's just going to take us a while to read through all the information here.

James Fry stated I don't have any further questions either so if we could set a time for after the 15<sup>th</sup> correct?

Next meeting is scheduled for May 17 at 6:00 p.m. at the Elementary School Library.

The meeting was dismissed at 6:38 p.m.

  
James Fry Date 5/17/18

  
Alison Bohman Date 5/17/18