

DISTRICT’S RESPONSE TO WEA’S THIRD LANGUAGE PROPOSAL
Presented to WEA on October 2, 2023

1. All tentatively agreed upon additions are noted with green underlining, and all tentative agreed upon deletions are noted with ~~green~~.
 2. The WEA’s proposed additions are noted with red underlining, and the WEA’s proposed deletions are noted with ~~red~~.
 3. The District’s proposed additions are noted with blue underlining, and the District’s proposed deletions are noted with ~~blue~~.
 4. Explanatory items are noted in *italics*.
-

TENTATIVE AGREEMENTS

ISSUE 1 (WEA) – ARTICLE X, SECTION 7, COMPENSATION FOR TRAVEL BETWEEN BUILDINGS

WEA PROPOSAL: Article X, Section 7 states: “The school district will pay the established district mileage (established annually by the school board) reimbursement for travel between school buildings if the teacher assignment involves travel between buildings to complete classroom duties in the same day. Payment will be made at the end of each term and shall be requested by the teacher and approved by the building administrator.” Article X, Section 7 also contains a chart listing one-way mileage between buildings. WEA and the District tentatively agree to amend the chart as follows with the express understanding that the following chart will be in effect for only two years and that new mileage calculations will be applied when regular routes are available because current road construction projects are completed.

| | Southview | Bayview | Laketown | WMS | WHS | ESC/WEC | WLC | Transitions |
|-------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|
| Southview | | .6 miles | 1.7 miles | 1.5 miles | 2.2 miles | 1.0 miles | 2.5 miles | .1 miles |
| Bayview | .6 miles | | 2.0 miles | 1.6 miles | 2.3 miles | 1.4 miles | 3.1 miles | .6 miles |
| Laketown | 1.7 miles | 2.0 miles | | 2.8 miles | 3.5 miles | 2.1 miles | 3.8 miles | 1.6 miles |
| WMS | 1.5 miles | 1.6 miles | 2.8 miles | | .8 miles | 1.1 miles | 1.7 miles | 1.7 miles |
| WHS | 2.2 miles | 2.3 miles | 3.5 miles | .8 miles | | 1.8 miles | .5 miles | 2.4 miles |
| ESC/WEC | 1.0 miles | 1.4 miles | 2.1 miles | 1.1 miles | 1.8 miles | | 2.1 miles | 1.0 miles |
| WLC | 2.5 miles | 3.1 miles | 3.8 miles | 1.7 miles | .5 miles | 2.1 miles | | 2.7 miles |
| Transitions | .1 miles | .6 miles | 1.6 miles | 1.7 miles | 2.4 miles | 1.0 miles | 2.7 miles | |

ISSUE 9 (WEA) – MASTER CONTRACT ATTACHMENT E. WEA and the District tentatively agree to amend Attachment E, Section 3, subdivision 4, as follows:

Filing and Postmark: The filing or service of any notice or document herein shall be timely if it is personally served or if it bears a certified postmark of the United States Postal Service or an email time stamp within the time period.

WEA PROPOSALS

ISSUE 1 (WEA) – *TENTATIVE AGREEMENT*

ISSUE 2 (WEA) – ARTICLE XI, SECTION 8, GROUP INSURANCE

WEA PROPOSAL: WEA maintained its previous proposal to add language to the Master Agreement that would establish an insurance committee and would identify the members of the committee, including an established number of members from other bargaining units in the District.

DISTRICT RESPONSE: The District maintains its previous response and respectfully declines WEA’s proposal for the same reasons it has provided in the past. The District has no willingness to move forward with this proposal, which would infringe on the District’s inherent managerial rights.

1. The establishment of an insurance committee is not a term or condition of employment; it is an inherent managerial right. The District will not negotiate over inherent managerial rights.
2. As noted in the current contract, the appropriate venue for discussion of the establishment and function of an insurance committee is meet and confer. The District will openly accept input and feedback from teachers’ representative at meet and confer.
3. The District cannot negotiate with WEA over the rights of employees in other bargaining units.
4. The District wants an inclusive committee process that values all employees. The varied perspective of employees from all groups is critical. The District did not have any concerns this year with the involvement and engagement of the committee members. Late years guidelines.
5. The Master Agreement is not the appropriate place to include guidelines.

6. WEA’s proposal states that it is based on guidelines that were agreed upon with previous administrators many years ago, but not with the school board, the current administration, or the administration that immediately preceded the current administration.

ISSUE 3 (WEA) – ARTICLE XII, SECTION 2, LEAVES OF ABSENCE

WEA PROPOSAL: WEA maintained its previous proposal to renumber Article XII, Section 2, subdivision 3 to subdivision 4, and to create a new Article XII, Section 2, subdivision 3, which would state:

Teachers are eligible to elect reimbursement for unused sick leave as a cash payment in accordance with the following schedule prior to their 15th year. No later than seven (7) calendar days before the last teacher work day, the School District shall provide each teacher with notice of their total amount of unused sick leave days accrued that year in accordance with subdivision 1 above and carried forward from prior years. Upon notice to the district’s Human Resources Department on or before the last teacher workday, teachers will be eligible to elect reimbursement for unused sick leave days a cash payment in accordance with the following schedule:

| <u>Total Number of Unused Sick Leave Days at the End of the School Year</u> | <u>Number of Unused Sick Leave Days for which a Teacher May Elect Reimbursement</u> | <u>Reimbursement Rate Per Unused Sick Leave Day</u> |
|---|---|---|
| <u>Less than 45</u> | <u>0</u> | <u>Not eligible for reimbursement. All unused sick leave days accrued during the school year will be added to the teacher’s total sick leave and carried forward to the next school year.</u> |
| <u>45-59</u> | <u>Up to 4</u> | <u>\$75.00</u> |
| <u>60-89</u> | <u>Up to 6</u> | <u>\$75.00</u> |
| <u>90-119</u> | <u>Up to 8</u> | <u>\$75.00</u> |
| <u>120+</u> | <u>Up to 10</u> | <u>\$75.00</u> |

If a teacher elects reimbursement for unused sick leave days as a cash payment under this subdivision then his/her total unused sick leave will be reduced in accordance with such election.

Subd. ~~3~~ 4. Full-time teachers who have completed at least fifteen (15) years of continuous service with the School District, are at least fifty-five (55) years of age, and provide a written notice of retirement to the School District no later than March 1 that is effective at the conclusion of the school year,

will automatically receive a deposit equal to 100% of the balance of the teacher's accrued and unused sick leave into a Minnesota State Retirement System (MSRS) Health Care Saving Plan (HCSP) at the rate of eighty dollars (\$80.00) per day up to a maximum of one-hundred and thirty-five (135) days. A part-time teacher will be eligible for a deposit in accordance with this subdivision in a prorated amount proportional to their employment. The deposit will be made within sixty (60) days following the teacher's last date of employment. The School District's only obligation is to make the contribution to the MSRS HCSP as agreed to in this subdivision and no claim shall be made against the School District as a result of the MSRS HCSP. Upon the teacher's death, any contribution owed but not yet paid to the HCSP will be paid in cash to the teacher's designated beneficiary.

DISTRICT RESPONSE: The District maintains its previous response and respectfully declines WEA's proposal for the same reasons it has given in the past. The District has provided WEA a copy of IRS Revenue Ruling 2005-24, which confirms WEA's proposal is not legally tenable. WEA's response was that the Revenue Ruling is not "law." However, this disregards the fact that the Revenue Ruling clearly indicates how the IRS would rule on this issue.

1. During the last round of negotiations (2021-2023), the parties mutually agreed to eliminate the language that WEA is seeking to add to this contract. This was one of the few benefits that the District obtained during the last round of negotiations. The District will not negotiate away this benefit.
2. WEA's proposal does not encourage longevity. It encourages teachers to cash in sick leave in the first 15 years of their career with the District rather than rewarding them for continuing in the District in the form of a tax-advantaged benefit toward the end of their career.
3. WEA's proposal could result in situations in which employees do not have sick leave available when they need it.
4. WEA's proposal would have cost implications for the District, including additional payroll taxes.
5. WEA's proposal would create constructive receipt issues, which would result in adverse tax consequences for teachers and for the District. *See* Revenue Ruling 2005-24.
6. WEA's proposal would allow an employee with less than 15 years of service to elect reimbursement for unused sick leave as a cash payment. This component of WEA's proposal would jeopardize the tax advantaged status of the Health Care Saving Plan (HCSP) contributions in Article XII, Section 2, subdivision 4. A HCSP does not qualify for tax advantaged status "if any person has the right to receive case or any other taxable or non-taxable benefit under the arrangement

other than the reimbursement of medical expenses [from the MSRS HCSP]. *See* Revenue Ruling 2005-24.

ISSUE 4 (WEA) – ARTICLE XII, SECTION 3, LEAVES OF ABSENCE

WEA PROPOSAL: WEA maintained its proposal to amend the first paragraph of Article XII, Section 2, subdivision 3. The proposed amendment, which is shown below, would allow WEA members to earn an additional day of personal leave sooner.

Section 3. Personal Leave:

Subd. 1. Each teacher will be granted personal leave days based on their completed years of experience in the school district according to the following schedule:

| | |
|------------------------------------|--------|
| 0-10 <u>0-7</u> years | 2 days |
| 11-20 <u>8-15</u> years | 3 days |
| 21+ <u>15+</u> years | 4 days |

DISTRICT RESPONSE: The District maintains its previous response respectfully declines WEA’s proposal for the reasons that are below and were stated previously.

1. In a time in which the District has difficulty finding substitutes, the District cannot increase the number of days of personal leave that teachers receive. Additionally, the District is in statutory operating debt.
2. Any increase in the number of personal leave days available has financial implications and would result in less new money being put on the salary schedule. The District understood WEA to state that additional money on the salary schedule is its priority.
3. For unknown reasons, WEA has not yet presented a financial proposal. The District cannot fairly evaluate proposals that have cost implications until it sees WEA’s financial proposal. The District encourages WEA to submit a financial proposal, which would help move the process forward. The District wants to move the process forward and get a new contract in place for WEA members.
4. WEA has not presented any information showing that the number of days of personal leave the District offers is out of line with what other school districts offer.
5. Despite the District’s concerns with WEA’s proposal, after evaluating it in the context of a complete financial proposal, the District may be willing to agree to WEA’s proposal in exchange for WEA agreeing to blackout dates for the use of personal leave during the first and last week of school and on Fridays and Mondays around holidays and breaks. The District wants to focus on what is best for students and, to that end, wants to ensure teachers are present during key times of the year

for students and at times when the District has significant difficulty finding substitutes. The District is seeking to find middle ground and hopes WEA will do the same.

DISTRICT RESPONSE TO NEW STATEMENTS FROM WEA:

1. Today, WEA stated that it had “previously agreed with the District that financial proposals would be created after official student numbers were reported to the state by statute.” The District did not make such an agreement.
2. WEA has not made a written request for enrollment numbers. As of today, the District’s enrollment is 3978. This is not a significant change from the budget and information the District presented to WEA on June 27, 2023.
3. WEA stated that the District appears to be more concerned with controlling dates when days are taken versus the cost. WEA’s statement is inaccurate. The District is concerned about costs, but the District recognizes the need to focus on students and having teachers be absent on key dates is not good for students.

ISSUE 5 (WEA) – ARTICLE XII, SECTION 3, LEAVES OF ABSENCE

WEA PROPOSAL: WEA maintained its proposal to change the last sentence of Article XII, Section 3, subdivision 1, as indicated below, to increase the number of personal days that may be carried over from one year to the next. WEA stated that it is unwilling to consider a trade-off for black out days.

A maximum of ~~3~~ 4 days of personal leave may be carried over to the next school year.

DISTRICT RESPONSE: The District maintains its response and respectfully declines WEA’s proposal for the same reasons it gave previously:

1. As previously stated, the District has difficulty finding substitutes and cannot increase the number of days that a teacher may be absent on personal leave during a given school year.
2. Having the licensed teacher of record available to teach as much as possible is imperative to ensuring a consistent educational experience for students.
3. The District understands this is an important issue to WEA. Accordingly, during the last round of negotiations, the District agreed to increase the maximum number of days of personal leave that could be carried over from 2 to 3. The District also agreed to increase the number of teachers who could take personal leave in a building with 71-80 teachers. These increases did not appear to make a significant difference to WEA members who initially voted down the tentative agreement.

4. The District disagrees with WEA’s statement that its proposal would result in a cost savings to the District because it would save on the cost of substitute teachers. At most, WEA’s proposal would delay the cost to the District. With each year, a teachers’ wages rise, meaning that personal leave taken the future has the effect of costing the District more than personal leave taken now.
5. Despite the concerns with WEA’s proposal, the District would be willing to agree to it if WEA would agree to blackout dates for the use of personal leave during the first and last week of school and on Fridays and Mondays around holidays and breaks.

DISTRICT RESPONSE TO NEW STATEMENTS FROM WEA:

1. WEA again stated that the District appears to be more concerned with controlling dates when days are taken versus the cost. WEA’s statement is inaccurate. The District is concerned about costs, but the District recognizes the need to balance these costs against the needs of students. The District’s first priority is the needs of its students, and having teachers be absent on key dates is not good for students.

ISSUE 6 (WEA) – WITHDRAWN

WEA withdrew its proposal to modify the ULA language in Article XVI, Section 3 after the District’s stated that it was willing to discuss the proposal.

ISSUE 7 (WEA) – ARTICLE XVII, SECTION 2, DEFINED CONTRIBUTION PROGRAM

WEA PROPOSAL: WEA maintained its proposal to strike the lifetime maximum to the District contribution (matching benefit) that appears in Article XVII, Section 2, subdivision 1, so it reads as follows:

Subd. 1. The School District shall contribute, under this subdivision, matching funds according to the following schedule not to exceed the yearly amount as listed.

| Years of Service in District | District Matching Contribution |
|-------------------------------------|---------------------------------------|
| Probationary | No District Match. |
| Continuing contract-4 yrs. | \$525 Match |
| 5-8 yrs. | \$900 Match |
| 9-12 yrs. | \$1,400 Match |
| 13-16 yrs. | \$2,200 Match |
| 17-20 yrs. | \$2,400 Match |
| 21 + yrs. | \$2,825 Match |

~~Lifetime Maximum District Contribution \$50,000 (As of September 1, 2021)~~

~~Lifetime Maximum District Contribution \$55,000 (As of September 1, 2022)~~

DISTRICT RESPONSE: The District maintains its previous response, namely that the District would be willing to agree to WEA’s proposal if WEA would agree to blackout dates for the use of personal leave during the first and last week of school and on Fridays and Mondays around holidays and breaks. The District’s matching contribution would still be subject to any limits established by law. While WEA’s proposal does not present a cost today, it will result in increased costs in the future.

ISSUE 8 (WEA) – *TENTATIVE AGREEMENT*

ISSUE 9 (WEA) – ECFE/PRESCHOOL

WEA PROPOSAL: WEA has not actually made a proposal. Instead, it stated that according to statute ECFE and preschool instructors are in the bargaining unit and are entitled to all benefits within the WEA contract.

DISTRICT RESPONSE: The District agrees that ECFE and school readiness instructors are in the bargaining unit, but this does not determine the compensation, benefits, seniority, job security, or duty year that ECFE and school readiness instructors will receive. The contract already includes a separate article, Article XVIII, addressing compensation and benefits for ECFE teachers. School readiness instructors, who are not currently required to be licensed, are most closely aligned with this Article. The same is true for Tier 1 teaches. However, language would need to be added regarding bumping rights, if any, in the event of layoffs, and job security for school readiness and Tier 1 teachers.

ISSUE 10 (WEA) – WITHDRAWN

ISSUE 14 (WEA) – WITHDRAWN

DISTRICT’S PROPOSALS

ISSUE 11 (DISTRICT) – ARTICLE XI, SECTION 6 GROUP INSURANCE

DISTRICT PROPOSAL: The District proposes to add Article XII, Section 8, which would read as follows:

[Section 8. High Deductible Health Plan Option: Beginning with the 2024-2025 insurance plan year, the School District will make available a high deductible health plan \(HDHP\) for single, single plus one, and family insurance plans. The School District will make a contribution to an HRA/VEBA account for any teacher that selects this option. The School District’s contribution towards a teacher’s health insurance premium and](#)

[HRA/VEBA combined will not exceed the contribution amounts provided in Article XI, Section 2, subdivision 1.](#)

DISTRICT RATIONALE: With the exception of teachers, the District's HDHP has been available to ISD 110 employees for approximately eighteen years. Employees who select this plan receive an annual contribution of \$1,000 (deposited monthly in the amount of \$83.33) to an HRA/VEBA account on their behalf. Money deposited in an HRA/VEBA can be used to pay for qualified health-related expenses and any balance remaining at the end of the plan year rolls forward to the next plan year. The HDHP is popular among employees who are conscientious consumers of their medical care, because it allows them the opportunity to build up a balance in their HRA/VEBA account to be used at a later date. The plan is also popular with employees seeking single plus one and family plans as the monthly premium is lower than the other available health insurance plans. At a time when health insurance premiums are very high, it seems reasonable to provide this option to our teachers.

WEA RESPONSE: WEA has not yet responded to this proposal. WEA is seeking additional information from outside sources and will respond to this proposal in the future.

ISSUE 12 (DISTRICT) – *WITHDRAWN*

DISTRICT PROPOSAL: The District proposed to modify Article XII, Section 2, subdivision 12 (sick leave bank) to bring it into compliance with IRS rulings and eliminate tax liability for WEA members who donate sick leave. WEA rejected the District's proposal. In caucus after the last negotiations session, the District decided to withdraw its proposal and is documenting that decision here so WEA's bargaining team does not need to unnecessarily devote time to this issue. Donations to the sick leave bank will continue to be taxable based on applicable IRS rulings.

WEA stated in its last proposal that it has only rejected the proposed changes that are inconsistent with or unnecessary to ensure that donations are not taxable. WEA also stated that adding the sick bank form as an appendix would accomplish this mutual goal. Both statements by WEA are inaccurate. In earlier proposals, the District provided detailed and specific information about what the IRS requires in order for avoid having to tax the donor for donations to an emergency sick leave bank.

ISSUE 13 (DISTRICT) – MEMORANDUM OF AGREEMENT: FLEX LEARNING DAYS

DISTRICT PROPOSAL: The District has presented an MOA reflecting current practices.