

WEA RESPONSE TO DISTRICT’S RESPONSE / PROPOSAL

Presented on October 12th, 2023 at 4:30 p.m.

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

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 has proposed to modify the one-way mileage listed in the chart.

DISTRICT RESPONSE: The District agrees to separate Waconia High School and Waconia Learning Center. As reflect on the attached chart, the District also agrees to update the mileage charge based on routes that are currently available, but with the express understanding that the updated 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		<u>.6 miles</u>	<u>1.7 miles</u>	<u>1.5 miles</u>	<u>2.2 miles</u>	<u>1.0 miles</u>	<u>2.5 miles</u>	<u>.1 miles</u>
Bayview	<u>.6 miles</u>		<u>2.0 miles</u>	<u>1.6 miles</u>	<u>2.3 miles</u>	<u>1.4 miles</u>	<u>3.1 miles</u>	<u>.6 miles</u>
Laketown	<u>1.7 miles</u>	<u>2.0 miles</u>		<u>2.8 miles</u>	<u>3.5 miles</u>	<u>2.1 miles</u>	<u>3.8 miles</u>	<u>1.6 miles</u>
WMS	<u>1.5 miles</u>	<u>1.6 miles</u>	<u>2.8 miles</u>		<u>.8 miles</u>	<u>1.1 miles</u>	<u>1.7 miles</u>	<u>1.7 miles</u>
WHS	<u>2.2 miles</u>	<u>2.3 miles</u>	<u>3.5 miles</u>	<u>.8 miles</u>		<u>1.8 miles</u>	<u>.5 miles</u>	<u>2.4 miles</u>
ESC/WEC	<u>1.0 miles</u>	<u>1.4 miles</u>	<u>2.1 miles</u>	<u>1.1 miles</u>	<u>1.8 miles</u>		<u>2.1 miles</u>	<u>1.0 miles</u>
WLC	<u>2.5 miles</u>	<u>3.1 miles</u>	<u>3.8 miles</u>	<u>1.7 miles</u>	<u>.5 miles</u>	<u>2.1 miles</u>		<u>2.7 miles</u>
Transitions	<u>.1 miles</u>	<u>.6 miles</u>	<u>1.6 miles</u>	<u>1.7 miles</u>	<u>2.4 miles</u>	<u>1.0 miles</u>	<u>2.7 miles</u>	

WEA RESPONSE: The WEA agrees to the District's response to their proposal.

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

WEA PROPOSAL: WEA proposed 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 respectfully declines WEA’s proposal for the following reasons.

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. 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.
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.

WEA RESPONSE: The WEA proposal remains the same to add the insurance committee guidelines into the master agreement.

1. We have a proportionate amount of representatives for each group to provide input and come to a group decision.
2. Placing new guidelines into the master agreement allows the school board, administration, and union to all have the same understanding for current and future stakeholders.

3. WEA feels that the master agreement is the perfect spot for the guidelines to be agreed upon. Again, this additional language would ensure that proportionate representation is afforded to each group when changes occur.

9/28/23 DISTRICT RESPONSE: The District maintains its previous response and respectfully declines WEA's proposal for the following reasons:

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.
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.

10/2/23 WEA RESPONSE: The WEA's position remains the same as the district's rationale did not change.

10/2/23 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.

10/12/23 WEA RESPONSE: The WEA's position remains the same as the district's rationale did not change.

RATIONALE -

1. The WEA is the largest insurance group in the district and should have a fair representation.
2. The WEA is asking for a proportionate representation.
3. The WEA recommends to place new guidelines in as an appendix

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

~~**WEA PROPOSAL:** WEA proposed to renumber Article XII, Section 2, subdivision 3 to subdivision 4. Additionally, WEA proposed 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 respectfully declines WEA’s proposal for the following reasons:

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.
2. WEA’s proposal does not encourage longevity.
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 also have cost implications for the District.
5. WEA’s proposal would create constructive receipt issues, which would result in adverse tax consequences for teachers and for the District.
6. The District does not believe that it can legally allow an employee to choose the amount contributed to a Health Care Savings Plan. WEA’s proposal would allow an employee to decide whether to seek reimbursement for unused sick leave days as well as the number of days.
7. Finally, the District does not believe that it can legally allow an employee to choose between a HCSP contribution or lump sum payment.

WEA RESPONSE: The WEA proposal remains the same to add the sick leave buy back table back into the contract.

1. WEA’s proposal does not provide employees an option to put the money into a HCSP in the first 15 years of their career. The proposal is a buyback of unused sick leave based on the criteria established in the table. It is not a retirement benefit.
2. After agreeing to the language changes during the last round, this remains one of the most popular requests by WEA members.
3. WEA’s proposal promotes longevity as we are looking out for our newer members, who tend to have a lesser salary. This keeps our newer members around longer, members who eventually reach 55 years or older AND have 15+ years of Waconia experience will then follow the current language.

4. WEA's proposal encourages all WEA members to manage this benefit more efficiently to benefit the district, as the buy back is significantly less expensive than paying a sub.
5. Last round it was established by both parties that it is legal to offer a reimbursement of unused sick time and a retirement for unused sick days without giving the choice to the employee. Our proposal does not give the employee a choice. The Districts response last round to this was turned down due to the fact that it would be an "accounting nightmare"

9/28/23 DISTRICT RESPONSE: The District maintains its previous response and respectfully declines WEA's proposal for the following reasons:

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.*

10/2/23 WEA RESPONSE: Sent to EdMN, waiting for a response.

10/2/23 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.

10/12/23 WEA RESPONSE

The WEA has the current understanding that the buy back option is legal, though is seeking to meet the district in the middle on this issue. The WEA proposes to insert a Wellness Bonus based on each school year:

Teachers who use 10 or less sick days each year will receive a wellness bonus of \$1,000

RATIONALE -

1. This will encourage WEA member attendance.

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

WEA PROPOSAL: WEA proposed to modify the first paragraph of Article XII, Section 2, subdivision 3, as follows:

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 years	2 3 days
11-20 years	3 4 days
21+ years	4 5 days

DISTRICT RESPONSE: The District respectfully declines WEA’s proposal. 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. Any increase in the number of personal leave days available 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. Finally, the District believes that the number of days of personal leave it offers is comparable to other school districts. WEA has not presented any contrary information.

WEA RESPONSE: WEA proposes to modify the first paragraph of Article XII, Section 2, subdivision 3, as follows:

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 0-7 years	2 days
11-20 8 - 15 years	3 days
21+ 15+ years	4 days

1. This is a highly requested issue from WEA members. If the amount of personal days will not be increased, this would allow members to earn an additional day sooner.

9/28/23 DISTRICT RESPONSE: The District respectfully declines WEA's modified proposal.

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.
6. The District is seeking to find middle ground and hopes WEA will do the same.

10/2/23 WEA RESPONSE: The WEA will pause this issue until financial numbers are discussed more.

1. The WEA had previously agreed with the district that financial proposals would be created after official student numbers were reported to the state by statute. The WEA believed they were clear as to why a financial proposal has not been made.
2. The WEA feels the current restrictions on personal days, according to the amount of people per building, already limits members ability to take a personal day. This model is sufficient and ensures teachers are present.
3. The WEA disagrees with the district statements about avoiding cost implications by the added personal day. The WEA questions why the cost is not a concern to the district when blackout dates are applied? It appears to the WEA that the district is more concerned with controlling

when days are taken versus the cost.

10/2/23 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.

10/12/23 WEA RESPONSE TO NEW STATEMENTS ABOVE:

1. This above statement is untrue and not fair to mislead the public. This is contrary to the district's stance to be transparent.

2. Per the district minutes from August 17th on the district website, please see the screenshot

below.

Both teams caucused at 7:44 am.

WEA said that they would like more time to look at the District's report and that they would like a PDF version of each contract for the last three rounds.

WEA presented their 1st proposal and said that they may have more language items on September 19th and will plan to present more on numbers after the October 1st financials are completed.

- a. This statement is untrue, and not fair to mislead the public.
3. The WEA had the understanding that student numbers were fluctuating up to 30 students more according to the district financial advisor.

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

WEA PROPOSAL: WEA proposed to change the last sentence of Article XII, Section 3, subdivision 1 to state:

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

DISTRICT RESPONSE: The District respectfully declines WEA's proposal for the following reasons:

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.

WEA RESPONSE: The WEA proposal remains the same to change the amount of days that are able to be carried over. The WEA respectfully declines blackout dates.

9/28/23 DISTRICT RESPONSE: The District maintains its response and respectfully declines WEA's proposal for the following reasons:

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.

10/2/23 WEA RESPONSE: The WEA's position remains the same, to change language so WEA members can carry over earned personal time to the following year.

1. The ability to carry over personal leave does not increase the amount of sub time needed district wide. This defers an absence so that teachers can be in the classroom in which cost will not change unless the district agrees to higher sub pay.
2. The new 71-80 category was to accommodate building growth that met the other proportional demands of buildings. This was brought to the district's attention as the WEA was seeking to increase the number of teachers on personal leave by 1 to allow more members to use their earned benefit on the same day. This issue was denied, but the 71-80 category naturally occurred through discussions when comparing to the previous categories.
3. The WEA disagrees with the district statements about avoiding cost implications by the added personal day. The WEA questions why the cost is not a concern to the district when blackout dates are applied? It appears to the WEA that the district is more concerned with controlling when days are taken versus the cost.

10/2/23 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.

10/12/23 WEA RESPONSE:

1. The value of having a teacher present is the same on any given day.

ISSUE 6 (WEA) – ARTICLE XVI, SECTION 3, ULA AND SENIORITY

- Responses have been removed due to the issue being withdrawn by the WEA 9/19/23

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

WEA PROPOSAL: WEA proposes 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 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.

WEA RESPONSE: The WEA proposal remains the same to remove the Lifetime Maximum District Contribution (matching benefit).

1. As stated by the District, a lifetime cap currently already exists under law. This promotes longevity as an earlier concern by the district.

9/28/23 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.

10/2/23 WEA RESPONSE:

1. As per the Process Agreement, the WEA encourages the district to provide a concise rationale for the district response.
2. The WEA proposal remains the same to remove the Lifetime Maximum District Contribution (matching benefit).
 - a. As stated by the District, a lifetime cap currently already exists under law. This promotes longevity as an earlier concern by the district.
3. The WEA does not feel blackout dates correlate to capping 403b funds.
4. The WEA believes maximum contributions have been addressed for other employees.

10/2/23 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.

10/12/23 WEA RESPONSE: The WEA proposal remains the same

ISSUE 8 (WEA) – MASTER CONTRACT ATTACHMENT E

WEA PROPOSAL: WEA proposes to modify 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.

DISTRICT RESPONSE: The District agrees to WEA's proposal.

ISSUE 9 (WEA), ECFE PRESCHOOL

WEA PROPOSAL: WEA will make a proposal in the future.

DISTRICT RESPONSE: The District will respond after WEA makes its proposal.

WEA RESPONSE: WEA is currently seeking counsel from Education Minnesota, topics will include seniority, calendar dates / length of school year, salary and pre-school.

9/28/23 DISTRICT RESPONSE: The District will respond after WEA makes its proposal.

10/2/23 WEA RESPONSE: According to statute ECFE and Preschool are in the bargaining unit and are entitled to all benefits within the WEA contract.

Rational - Abiding by new legislation.

10/2/23 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 teacher. 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.

10/12/23 WEA RESPONSE

1. The WEA proposes School Readiness Instructors enter Article XVIII.
2. The WEA proposes to insert language such that all hours worked July 1st - June 30th to be applied to their full time status.

RATIONALE-

1. Due to their many hours worked outside of their typical schedule to meet student needs.
2. We feel this would meet the new requirement to include School Readiness Instructors within the WEA collective bargaining agreement and closely align them to ECFE.

10/12/23 WEA RESPONSE - The WEA is questioning if Section 2 still applies under the new state statute.

Section 2. Contract Rights: The parties agree that pursuant to Minn. Stat. § 122A.40, "A license which is required for an instructor in a Community Education Program shall not be construed to bring

an individual within the definition of teacher for the purpose of Minn. Stat. §§ 122A.40 or 122A.41, subd. 1 (a)." Thus, ECFE teachers do not have continuing contract rights provided by Minnesota Law.

Statute 122A.40 Subdivision 1. **Teacher defined.** A principal, supervisor, and classroom teacher and any other professional employee required to hold a license from the state department shall be deemed to be a "teacher" within the meaning of this section. A superintendent is a "teacher" only for purposes of subdivisions 3 and 19.

ISSUE 10 (WEA), MEMORANDUM OF AGREEMENT, ELEMENTARY SPECIALIST COMPACTING

- *Responses have been removed due to the issue being withdrawn by the WEA 10/2/23*

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: The WEA is seeking out more information from outside sources.

10/2/23 WEA RESPONSE: The WEA will revisit issue 11 during the financial proposal.

10/12/23 WEA RESPONSE: The WEA respectfully declines the proposal to add in the High Deductible plan option.

ISSUE 12 (DISTRICT), ARTICLE XII, LEAVES OF ABSENCE

DISTRICT PROPOSAL: The District proposes to amend Article XII, Section 2, subdivision 12 as follows:

- *Proposed language has been removed due to the issue being withdrawn by the District on 10/2/23.*

- *Rationales has been kept within this document as the WEA has mutual goals to continue to show compliance with the IRS tax rules and further prove the WEA has met all IRS sick bank requirements to be tax free.*

DISTRICT RATIONALE: The current contract language providing a sick leave bank does not comply with IRS regulations. As a result, the donation of sick leave is taxable to both the donor (i.e., the person donating the leave to the bank) and the donee (i.e., the person receiving the leave from the bank). The proposed language is intended to minimize the likelihood of tax liability for the donor.

Tax Consequences. Under the “assignment of income doctrine,” an employee who donates sick leave to a general sick leave bank must pay taxes on the value of the sick leave that has been donated. The employer is required to report the donated sick leave as compensation for the employee who donated the leave and for the employee who withdrew the leave from the bank. The employer is also required to withhold the appropriate income and FICA tax for both employees.

Exception. In [Revenue Ruling 90-29](#), the IRS looked at a program under which employees who were undergoing a “medical emergency” could qualify as recipients of leave time surrendered to the employer by other employees or leave time deposited by employees in an employer-sponsored leave bank. The IRS ruled that the income would be taxed to the recipient of the leave, but not the donor. In issuing this ruling, the IRS created an exception to the assignment of income doctrine. *See also* Private Letter Ruling 2007200017 (2007). Under this exception, an employee who donates sick leave to a medical emergency leave-sharing plan is not required to recognize compensation income for the value of donated sick leave. As a result, the employer is not required to report the value of the donated sick leave on the donor’s W-2 or withhold income tax or FICA tax from the donor’s compensation. The donor may not take a charitable contribution deduction. An employee who uses sick leave from a medical emergency sick leave bank must report the value of the donated sick leave as income. Accordingly, the employer must report the payments on the recipient employee’s Form W-2 and withhold income tax and FICA tax from the payments.

To avoid adverse tax consequences to the donee, an emergency sick leave bank should:

1. Define a “medical emergency” as a medical condition of the employee or a family member of the employee that will require the prolonged absence of the employee from duty and will result in a substantial loss of income to the employee because the employee will have exhausted all paid leave apart from the leave-sharing plan.
2. Require that the recipient employee submit to the employer a written application describing the medical emergency;
3. State that additional paid leave may be granted from the medical emergency leave bank only after the employer has approved the written application and the employee has exhausted all of his or her accrued sick leave;
4. Cap the amount of sick leave that may be donated by an employee;
5. Establish how donated sick leave will be granted to eligible recipients.

WEA RESPONSE: The WEA declines changing sick bank language.

1. WEA members should not be taxed on deposit or withdrawals as they have already met the IRS regulations:

- a. The WEA master agreement states “Written application for a teacher to use the sick bank is made to Committee. “
- b. IRS regulations are met within the application.

9/28/23 DISTRICT RESPONSE: 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.

10/2/23 WEA RESPONSE: The WEA is in agreement that the CBA should reflect that the donations are not taxable; we have only rejected the proposed changes that are inconsistent with or unnecessary to meet this goal. Adding seeking the sick bank form as an appendix would accomplish this mutual goal. This continues to show compliance with the IRS tax rules and further proves the WEA has met all IRS sick bank requirements to be tax free. This has no cost implications to the district, and ensures no administrative wages are needed to monitor the sick bank.

10/2/23 DISTRICT RESPONSE: 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.

10/12/23 WEA RESPONSE: See WEA response to Issue 13.

ISSUE 13 (DISTRICT), MEMORANDUM OF AGREEMENT ON FLEX LEARNING DAYS

DISTRICT PROPOSAL: The District will present an MOA at the next meeting. The MOA will reflect current practices.

10/2/23 DISTRICT RESPONSE: The District has presented an MOA reflecting current practices.

10/12/23 WEA RESPONSE:

1. If the District is willing to insert the WEA teacher sick bank application as an appendix and eliminate the taxation of sick days, the WEA is willing to accept the Flex Learning Day Plan.

2. The WEA requests the flex plan to strike “The district and WEA agree that any personal costs associated with an e-learning day are offset by the benefits of an e-learning day.”

WEA ADDITIONAL 2ND PROPOSAL ITEM

ISSUE 14 (WEA), MEMORANDUM OF AGREEMENT, SCHOOL LIBRARY AID

- *Responses have been removed due to the issue being withdrawn by the WEA
10/2/23*

WEA COST PROPOSAL BELOW

WEA COST PROPOSAL

- 2 year total increase per pupil 6.1%
From \$6863 to \$7281 over this contract period (23-25)
- Base Per Pupil - \$6863
- 4% - Year 1 Per Pupil - \$7138
- 2% - Year 2 Per Pupil - \$7281

PER MDE Numbers as of Oct. 4th

- 4% per pupil year 1 = Total - Approximately \$ 1.4 million in basic funding
- 2% per pupil year 2 = Total - Approximately \$ 1.9 million in basic funding

Additional Funding streams

- Additional cross subsidy and special ed funding
- Additional funds from district levies
- Additional targeted funding for student support staff
- Additional media funding,
- Local levy stability

The adjusted per pupil for 2023-24 is 4,392.60 units based on MDE.

The adjusted per pupil for 2024-25 is 4,375 units based on MDE.

ISSUE 15 - (WEA) - ARTICLE IX, SECTION 2, BASIC COMPENSATION

WEA PROPOSAL: Section 2. Career Increment: Teachers shall qualify for the career increment above the basic salary schedule after a year's credit on the last step of the BA+60/MA, MA+15, MA+30 or MA+45 lane. Beginning in ~~2022-2023~~ 2023-2024, the annual salary including the career increment equates to a ~~4.25%~~ 4.5% increase over the last step of the BA+60/MA, MA+15, MA+30 or MA+45.

ISSUE 16 - (WEA) - ARTICLE XI, SECTION 2 SUBD. 1, GROUP INSURANCE

WEA PROPOSAL - Singles to be covered 100% for health and dental. Singles +1 / Families to be covered at 72% for health.

Subd. 1. ~~The School District shall contribute under this subdivision an insurance coverage allowance not to exceed the following monthly amount:~~

Year	Effective Date	Single Coverage	Single+One Coverage	Family Coverage
2021-2022	9/01/2021	\$767.13	\$1,185.91	\$1,476.88
2022-2023	9/01/2022	\$767.13	\$1,185.91	\$1,476.88

RATIONALE - The proposed language removes the issue of future insurance increase premiums proposals for both sides.

Group	Increase
<u>Year 1</u>	
Single	13% (Rate Increase)
Single + 1	13%
Family	13%
<u>Year 2</u>	
Single	9% (Rate Cap)
Single + 1	9%
Family	9%

ISSUE 17 (WEA) - ARTICLE XVIII, EARLY CHILDHOOD FAMILY EDUCATION, STEP AND LANE ADVANCEMENT

WEA PROPOSAL - 8% Increase in Year 1 and Year 2

RATIONALE - These groups operate under the Community Education budgets with a healthy fund balance.

ISSUE 18 (WEA) - ARTICLE XVIII, EARLY CHILDHOOD FAMILY EDUCATION, STEP AND LANE ADVANCEMENT

WEA PROPOSAL -

Section 10 - Longevity Stipend

7-9 years of service = \$1,000 stipend per year

10-12 years of service = \$2,000 stipend per year

13+ years of service = \$3,000 stipend per year

RATIONALE: These groups operate under the Community Ed budgets with healthy fund balance.

Note: Housekeeping numbers need to be renumbered following section 10.

ISSUE 19 (WEA) - SALARY SCHEDULES - LANE ADVANCEMENT - 2023-2024 AND 2024-2025

WEA PROPOSAL - Lanes in year 1 and 2.

RATIONALE - The average cost of lanes over the last three years was \$76,820. Using Ra's Teacher

Cost summary: Year 1 - 1% = \$295,421 Year 2 - 1% = \$301,192

Year 1 - 0.26%

Year 2 - 0.25

ISSUE 20 (WEA) - SALARY SCHEDULES A & B - STEP ADVANCEMENT - 2023-2024 AND 2024-2025

WEA PROPOSAL - Steps in both years.

RATIONALE - Using Ra's Teacher Cost summary:

Year 1 - 1% = \$295,421 Year 2 - 1% = \$301,192

Year 1 Cost - \$422,879 - 1.43%

Year 2 Cost - \$392,294 - 1.3%

ISSUE 21 (WEA) - SALARY SCHEDULES A & B - SCHEDULE IMPROVEMENT - 2023-2024 AND 2024-2025

WEA PROPOSAL - The WEA Proposes to increase the salary schedule by 5.5% in year 1 and 4% in year 2.

RATIONALE: Teachers have continued to do more with less and have burdened the last 5 years on their own shoulders. With the current teacher shortage, we need to provide competitive benefits to attract new and retain current teachers.