

# Shasta Secondary Employees Association

Sunshine Proposal for Negotiations  
2009-2010

## Where to begin ?

- ★ According to Board member Bev Stupek in the Oct. 25<sup>th</sup> Redding Record Searchlight.
  - ★ Compared with many high schools, the Shasta Union H.S.D. is in “unusually good shape”.
  - ★ **Something she attributes to solid leadership at the District Office.**
  - ★ <http://www.redding.com/news/2009/oct/25/shasta-high-school-district-board-candidates/>
- ★ Ignoring the role of teachers in creating the surplus!



## Closing Numbers

- ★ We are in good financial shape.
- ★ Closing Balance for 2008 – 2009

★ **14,185,571.01**

## Mixed Messages

- ★ Oct. 19 SUHSD Board Meeting
  - ★ Art Schmidt's presentation to the board, based on a multi-year projection, is that we must cut

★ **4,034,551**

- ★ From the current budget

## Closing Numbers

- ★ We are in good financial shape.
- ★ Closing Balance for 2008 – 2009

★ **14,185,571.01**

## Basic Math

- ★ What makes up the 14 million ending balance ?
  - ★ 1.6 million State Mandated Reserve
  - ★ 3.2 million SUHSD “Special Reserve”
  - ★ 2.0 million – Federal Stimulus Money
  - ★ 6.8 to 7.2 million – left over? – piggy bank ?

## Deficit Spending

- ★ “We are in a period of deficit spending”.
  - ★ - Jim Cloney, Superintendent
  - ★ - Art Schmidt, Associate Superintendent - Chief Business Official
  
- ★ Definition: Deficit Spending depends on debt.
  - ★ The SUHSD is **NOT** incurring debt.

## Definition - "Deficit Spending"

- ★ True deficit spending requires “Debt”
  - ★ Example (national level): The Federal Budget Deficits were created by the Federal Government spending money it did not have.
  - ★ Example (personal level): If I deficit spend, I owe money. It is not deficit spending if I have to cover a check by using my 14 million dollar savings account.

## SUHSD Budget

- ★ 2009 – 2010 Budget: 46,225,620
- ★ 2009 – 2010 Revenue: 45,713,761
  
- ★ We plan to spend **511,859** more than we shall receive in funding.
  
- ★ In true deficit spending, we would have to borrow that amount.

## Salary Costs

- ★ According to the Oct. 19<sup>th</sup> budget presentation, employee salaries have increased from:
  - ★ 71.6% in 2008 – 2009
  - ★ 80.3% in 2009 – 2010
  
- ★ How is this possible considering the large number of retirees over the past two years?
  - ★ FACT: Total Certificated salaries 2008 – 2009 – 19,771,066.94
  - ★ FACT: Total Certificated salaries 2009 – 2010 – 18,568,852.00
  - ★ FACT: Salaries are 1,202,214.94 less than in 2008-2009

## Salary Costs <sub>2</sub>

- ★ The graph from the Oct. 19 budget presentation is misleading.
- ★ The percentage of employee salaries is higher, but the actual dollar amount is lower.
- ★ FACT: Teacher retirements have saved the district money!

## Cash Flow

- ★ Art Schmidt is correct. “Cash Flow” is an important issue, and the state has implemented a deferred payment schedule.
- ★ Reality: we have adequate “cash flow” even without using the 3.2 million dollar “Special Reserve” that we helped create.
- ★ Worst Case Scenario: even if we had to “borrow”, it would eventually be funded, and no debt would occur.

## The Future 1

- ★ Expectations of future cuts
  - ★ How can you ask for a rollback if you do not know the numbers yet?
- ★ “Lay-offs”, or “Reduction in Force”
  - ★ No one has publically used these words yet. Why?
- ★ With budget constraints at the state level and declining enrollment, lay-offs are probably inevitable. What are the cost savings?
- ★ In almost 30 years as a labor attorney in the north state, Don Selke has never seen teacher rollbacks save jobs.

## The Future 2

- ★ Art Schmidt warned of a “state take-over” if we fall into a fiscal emergency.
- ★ Again, Don Selke, in his 30 year history as a labor attorney in the north state, points out that this has only happened twice in northern California.
  - ★ Chester
  - ★ Whitmore Elementary

## Reasonable Cuts <sub>1</sub>

- ★ Have they all been exhausted?
  - ★ Administrative Interns
    - ★ The SUHSD Board approved a change in the Administrative Intern position from 5/5 to 3/5 for 2010-2011, moving them to the classroom for 2 periods per day.
    - ★ SSEA Recommendation: The Administrative Intern position should be eliminated. This is a luxury we can no longer afford.

## Reasonable Cuts <sub>2</sub>

- ★ Have they all been exhausted?
  - ★ We need to take a long, hard look at all Administrative positions, and their subordinates.
    - ★ Are they all “necessary” or “essential” ?

## Reasonable Cuts <sub>3</sub>

- ★ Have they all been exhausted?
  - ★ Administration has “offered” to match any rollbacks or cuts made to the certificated staff.
  - ★ This offer is not equitable. Their salaries are **much** higher than ours.

## Reasonable Cuts <sub>4</sub>

- ★ Have they all been exhausted?
  - ★ None of the current Administration is close to retirement age .
  - ★ What about our teachers with 30+ years of service to the students of the district? They have based their financial future, and that of their families, on the current salary schedule.
  - ★ Our “soon to retire” teachers will be affected **FOREVER** by a change in the current salary schedule.

**SSEA Proposal for Negotiations with the District 2009-2010**

**PROPOSAL**

★ Article 10: Compensation

- ★ No “on-going” salary increase for 2009-2010.

★ Rationale:

- ★ We must maintain a balanced budget and maintain adequate reserves for economic uncertainties.

**SSEA Proposal for Negotiations with the District 2009-2010**

**PROPOSAL**

★ Article 10: Compensation

- ★ MAA Money received for 2008-2009 school year.

★ Rationale:

★ **We did the work.**

★ **We earned it.**

★ **Give it to us.**

**SSEA Proposal for Negotiations with the District 2009-2010**

**PROPOSAL**

★ Article 10: Compensation

- ★ Make the additional 413.64 in Section 10.4.2.5 of the medical cap permanent.

★ Rationale:

- ★ Our benefits have already been reduced due to the increase in our “out of pocket” costs.

**SSEA Proposal for Negotiations with the District 2009-2010**

★ We agree to meet and discuss:

- ★ Article 10: Compensation
- ★ Article 7: Hours of Employment
- ★ Article 11: Leaves

★ Our current contract with the district allows for opening two areas of the contract, in addition to compensation. The district sunshine proposal requested opening additional areas. Therefore, we have filed a grievance in accordance with our contract regarding their sunshine proposal.