



Administrative Negotiations Minutes

Friday, May 10, 2019; 6:15 a.m.

Central Administration Office

Negotiators Present:

Representing School Board - Board President Brent Seaks, Board Member Jason Rodakowski, and Superintendent Shon Hocker.

Representing Dickinson Administrative Council - Mr. Jay Hepperle, Mr. Shawn Leiss, and Ms. Nicole Weiler.

Others Present - Mr. Kent Anderson, Mr. Guy Fridley, Mrs. Sara Streeter, Mr. Kevin Hoherz, Mrs. Melanie Kathrein, Mr. Lyle Smith, Mrs. Sarah Trustem, and Mrs. Twila Petersen.

Call to Order – Dr. Shon Hocker, Chair, called the meeting to order at 6:17 a.m. Dr. Hocker noted that Board President Seaks requested he chair the meetings.

Additions or Deletions to the Agenda – President Seaks moved to approve the agenda, as presented. Mr. Hepperle seconded the motion. The motion carried unanimously.

Ground Rules – A copy of the 2017 administrative negotiations ground rules were distributed. The only change was to reflect a date of 2019. Each person at the table read one of the ground rules. By consensus, the ground rules were approved, as presented.

Topics for Discussion – Chair Hocker opened the floor for topics for negotiations. Mr. Hepperle requested the topic of a two-year agreement. President Seaks requested the responsibility factor as a topic. Mr. Hepperle requested the sunset clause on personal leave be reviewed. Dr. Hocker requested salaries be a topic with a component of the salary discussion to include out-of-district administrative experience. Mr. Hepperle requested a discussion regarding TFFR. He noted a possible correction to the responsibility factor.

Chair Hocker reminded the team, as per the ground rules, team members may bring new topics to the next meeting.

Discussion – Chair Hocker opened the floor for discussion of topics.

Two-year Agreement - President Seaks suggested moving the discussion regarding the two-year agreement to the end. Dr. Hocker added this would be an avenue if the administrators were not happy with the outcome, they could consider the agreement for one year. Consensus was to move the topic of a two-year agreement to the end of topics for discussion.

Out-of-District Experience – Dr. Hocker explained the reason for the request for this topic was due to the maximum outside of District experience being capped at ten years. He wanted to discuss if this should be similar to the teacher's maximum cap of 15 years. Dr. Hocker used an example of hiring an administrative position. At the administrative level, a principal or director could have 20 years of outside the district experience. With the 10-year cap, it limits the hiring pool. He added it could also be eliminated or at least not go less than 15 years.

President Seaks asked for the history on the 10-year cap. Mr. Leiss thought the rationale could be from a budgetary concern. In the early 90s, there was declining enrollment in rural schools so boards were using tools to save their budgets. Mr. Hepperle asked for clarification, the suggestion was to change the cap for outside district experience from 10 years to 15 years. Dr. Hocker responded to consider at least making it 15 years. He added it was similar to teachers where it was getting harder for the District to hire teachers as well as

administrators. Mr. Hepperle inquired if it was retroactive. President Seaks responded it would not be, but it would be moving forward. Mr. Hepperle thought it could be changed and recommended to bring the topic back with an agreement.

TFFR – Chair Hocker inquired if the administrators were considering TFFR in lieu of salary increases. Mr. Hepperle responded they were willing to consider it and/or percentage increase. Dr. Hocker said that they have verified there is no harm for teachers or administrators. It is a wash. The teacher negotiations are also including TFFR in their discussions. The retirement is based on the salary. In North Dakota, they also look at the retirement contributions. If the administrator were in a District where 100% was covered, there is no potential loss when the administrator retires. Mr. Leiss referenced the dollars that go towards the salaries and how TFFR uses the final three or so years of average wages in calculating the retirement. He was under the impression if the dollars are added to TFFR instead of the salary, it would carry through. Dr. Hocker responded that is the case in most states, but in North Dakota it is to the employees advantage to put it towards the TFFR. That has been confirmed with TFFR.

Mr. Anderson said he called TFFR. Information is also posted on their website. TFFR has model 1, 2, and 3. There are three large districts that have done this; Williston, Watford City, and West Fargo. There are about 80 districts that confirmed any voluntary contribution is a win/win. Dr. Hocker added that it would help stretch the budget. Mr. Leiss thought that either side would impact the other.

Mr. Rodakowski inquired what the District and administrators pay towards TFFR. Mr. Anderson responded the required amount from the District is 12.75% and administrators pay 11.75%. He added the TFFR contribution needs to be the same for certified and administrators. There is not a choice for different options between the two groups. Dr. Hocker clarified, if the teachers want to have more contributed towards TFFR and the administrators do not, then the teachers also are not allowed to have the additional contribution. Mr. Anderson responded it would come down to the unilateral. President Seaks said it would be ideal if both groups decided one way or the other. Dr. Hocker said that was a good conversation to have. He did not realize the tie in with the teachers.

Mr. Anderson said the question has been brought up why more class A districts are not providing more towards TFFR. It requires some management and it does change the financial dynamics. Dr. Hocker said there are several districts that are paying 100% of the TFFR for the teachers and DPS is losing applicants to those districts.

President Seaks clarified that both groups, the teachers and administrators, would need to support this. The benefit piece is not a negotiable item. The District needs to be sensitive to the needs. For the Board, it is a wash, trying to offer more on the TFFR side saves on the FICA. Mr. Leiss inquired what was the negative to additional employer contribution on the TFFR. If the Board would say they would pay 5% and match that with the TFFR, the take home pay would increase by probably 5%. Mr. Anderson responded that was correct.

Mr. Hepperle suggested the Board come up with some numbers they are comfortable with and bring to the next meeting; some starting points for TFFR along with any other pieces. Mr. Rodakowski inquired what was offered to the teachers. Dr. Hocker responded it was a step equivalent to a 2% increase as well as 1.5% applied to TFFR. Dr. Hocker noted the administrative salary schedule does not have steps. The goal was to treat everyone as equal as possible and be similar.

Mr. Hepperle clarified there was no increase to the base with their proposal to the teachers. It essentially was a change in the TFFR contributions. Dr. Hocker responded that was correct.

Chair Hocker explained the new dollars to the District were related to the 2% ADM. When using a student enrollment of 4,000, the extra 2% generates \$800,000. There is \$2.1 million associated with growth with a part of this calculation to help with servicing those additional students.

Recently the Board has approved the hiring of 14.1 new employees. After yesterday's Mental Health Task Force meeting, there was a strong desire to hire one more psychologist.

Superintendent Hocker reported that on Monday a letter was received from Hayes regarding the self-funded health insurance with a recommendation to increase premiums for Blue Cross and Blue shield to 15-18%. There is a meeting set up next week Thursday for the Self-funded Health Insurance Committee to make that determination. The District could choose to increase it to 12% with the District being obligated to pick up 80% of the 12%. That could essentially deplete the \$800,000. There was not a great deal of money to be spread out amongst the certified, classified, and administrators. These funds do not address the new hires.

Mr. Hepperle inquired if that was essentially a 3.5% total to TFFR. Dr. Hocker responded it was not. The teachers are getting a step. The minimum for a first year teacher is 2% or essentially getting \$900 and then getting 1.5% worth about \$650 on the TFFR. It was not an amount on the base.

Responsibility Factor – Mr. Hepperle said the topic of responsibility factor includes a discussion regarding the assistant superintendent. The percentage for the assistant superintendent was a decrease from the 2017 agreement to the 2018 agreement. Dr. Hocker thought that was maybe a typo that carried over. That could be fixed to what it was meant to be and brought back for review.

President Seaks inquired if the administrators felt the responsibility factor was working or was there a better way or cleaner way to do that, such as stipends. Dr. Hocker knows the administrators are very invested in the responsibility factor and did not wish to insult the work done on it. Mr. Hepperle responded the conversation with administrators was that it was difficult to compare apples to apples. It was difficult to compare a high school assistant principal in Dickinson with a Fargo assistant principal.

The ceiling on the responsibility factor is the superintendent's salary with the floor on the responsibility factor being the highest paid teacher. There was discussion with the administrators that the superintendent's salary increased 6% from 2017-2018 to 2018-2019. Mr. Leiss added a committee comprised of board members and administrators spent a great deal of time over two years reviewing and revising the responsibility factors.

Dr. Hocker said hypothetically all principals could get a 3% pay raise because someone with a responsibility factor of 80 is different from someone with a responsibility factor of 45. He was trying to be equitable from the teachers, to the cooks, to the custodians, to the assistant principal but it was difficult with the salary schedules. The teacher salary schedule is top end rewarded. The rewards for the lanes are different as the individual moves throughout the schedule. The same is true for the administrative schedule with the principal formula. Dr. Hocker would be in favor of trying to make it best where he can "float one boat" without compromising the work done by the committee. Mr. Leiss would not suggest changing the principal schedule right away. Mr. Hepperle suggested a discussion of the administrative council and asking if they were willing to consider. He thought it would take several years to process the information and convert it to stipends. He added they were more than willing to talk about it with the administrators and report back at another meeting. President Seaks requested to reiterate with the administrative council they were respecting the work of the committee.

Mr. Hepperle said that he wished to discuss the change in the ceiling; the increase of 6%. The administrators would like the Board to consider that equitably, with all steps of the ladder going up equally. Mr. Hepperle and Mr. Leiss explained how the responsibility factors are built off the superintendent's base salary. In essence, when the superintendent gets a pay raise, the administrators also get a pay increase. The years of experience are also included in the factors. There was discussion regarding stipends and the Director of Student Services' portfolio.

Dr. Hocker inquired if the Board should agree to a 3.5% increase and 1.5 was going to TFFR, how would they give 2% to everybody using the administrator's schedule. Mr. Hepperle recognized that 2% for one person is not the same for another. Mr. Hepperle wished to preserve the work of the committee. Mr. Rodakowski suggested stretching the gaps and filling in the gaps. Mr. Anderson said he could do that and Dr. Hocker added they would bring it back to the next meeting. Mr. Hepperle suggested it be emailed to him before the next meeting.

Sunset Clause – Mr. Hepperle said the sunset clause pertained to the personal leave, similar to the teachers' sunset clause. There is not a substitute fee attached to the administrative personal leave.

Mr. Hepperle explained the background on the personal leave days. Previously, there were two personal leave days with a maximum accumulation to six. It was increased to three personal leave days with a maximum accumulation to eight. Mr. Rodakowski inquired if increasing the maximum has been a concern. Dr. Hocker responded he did not believe it was. President Seaks inquired if the Board could discuss this topic further and bring it back to the table. The topic was tabled.

Other – There was no additional discussion.

Debrief – The two-year agreement discussion will be moved to the end. There was an offer of 3.5% with 1.5% of this being additional contribution to the TFFR and 2% sort of a lane change, in the first year. There was no discussion regarding the second year of a two-year agreement. Out-of-District experience discussion was to cap at 15 years. The ceiling on the responsibility factor of the superintendent's 6% salary increase was discussed. Regarding TFFR contributions, it needs to be supported by both the teachers and administrators. The sunset clause preference on the leave language was discussed and presented as the last agreement was drawn up with the sunset removed.

President Seaks said he appreciated all the work that had gone into the responsibility factor and perhaps a task force could be created in the future to make that better.


Mr. Hepperle explained there was a correction to the negotiated agreement regarding the responsibility factor for the assistant superintendent. Mr. Rodakowski noted that Berg Elementary was not included in the negotiated agreement.

Schedule Next Meeting – By consensus, the next meeting was scheduled for Friday, May 17 at 6:15 a.m.

Adjournment – At 7:45 a.m., Chair Hocker declared the meeting adjourned.

Dated this 17th day of May 2019.

DICKINSON PUBLIC SCHOOLS


By: Board Negotiator

DICKINSON ADMINISTRATIVE COUNCIL


By: Administrative Negotiator