



08 03 2011 Impasse Hearing

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Call Meeting to Order

Acceptance of Agenda

1. [Accept the Agenda for August 3, 2011 Impasse Hearing as Revised](#)

Attachment: [rev8-3-11 Executive Summary - PEA Impasse Resolution eAGENDA.pdf](#)

Motions:

Motion to accept the agenda for the August 3, 2011 Impasse Hearing. - PASS

Vote Results

Motion: Lori Cunningham

Second: Tim Harris

Lori Cunningham - Aye

Kay Fields - Aye

Tim Harris - Aye

Dick Mullenax - Aye

Frank O'Reilly - Aye

Hazel Sellers - Aye

Debra Wright - Aye

Pledge of Allegiance

Special Recognitions

Public Comments on Agenda Items

Approval of Minutes

Approval of Consent Agenda

New Administrator Announcements

Consent

Regular

Human Resource Services General Items

2. [SPEAKERS](#)

3. [Resolution of Impasse Issues with the Polk Education Association, Inc.](#)

Attachment: [PEA Rejections to Milinski Report.pdf](#)

Attachment: [Spec Magistrate PEA Report.pdf](#)

Attachment: [rev8-3-11 Executive Summary - PEA Impasse Resolution eAGENDA.pdf](#)

Minutes:

Wes Bridges, Attorney for the School Board, provided a brief history on the current impasse and unresolved issues: salary and longevity pay, health insurance fund, and composition of the Superintendent's Health Insurance Committee. Both parties will have an opportunity to explain their position. He announced that this is a quasi-judicial hearing, and while open to the public, it does not involve public input nor should any new documentation be presented.

Marianne Capozziello, President of Polk Education Association, stated PEA will show where funds are available for the modest salary increases requested by the Union.

Matt Mattimore, Attorney representing the Superintendent, reported that every effort has been made to lessen the impact on employees but the district does not have the power to advocate additional funds; it has to look at the bottom line.

PEA presentation:

- available funds have been identified in Capital Outlay. Each year the

District projects a shortfall during budget preparation and each year there are more dollars available in September than anticipated. PEA believes money is available for all employees to move up one experience step.

- Health insurance. The only way to resolve the issue is through collaboration and review of the actuary.
 - Biggest issue for employees is the co-pay and premiums

District presentation: PEA's claim regarding the district's over estimation doesn't reflect the State's revenue short fall caused by the recession and, in turn, a reduction in school funding.

- The availability of funds is a prerequisite to wage increases.
 - The annual decrease in State funding cannot be denied nor ignored. Actual district cuts for this year, \$56,862,912. Since 2007-08 our funding has been reduced by \$189.5 million.
 - The district's general fund balance has declined significantly. One time stimulus dollars were used to offset decreased revenues as suggested by the State.
 - The district's financial condition is burdened with a self-insured health care program experiencing an ongoing net loss. Currently, the district cannot meet the State's requirement to have at least 60 days worth of claims in reserve.
 - An actuarial analysis of PEA's health insurance proposal shows an additional cost of \$32 million.

Mrs. Wright requested the three items be addressed separately by the Board.

Motions:

Motion to accept and impose the Special Magistrate's recommendation as to salaries and longevity pay. - PASS

Vote Results

Motion: Lori Cunningham

Second: Frank O'Reilly

Lori Cunningham - Aye

Kay Fields - Aye

Tim Harris - Aye

Dick Mullenax - Aye

Frank O'Reilly - Aye

Hazel Sellers	- Aye
Debra Wright	- Aye

Motion Minutes:

Mrs. Sellers commented that the District and School Board knew that the stimulus dollars would be placed in the fund balance to sustain employees; otherwise, jobs would have been lost. The funds were allocated to maintain employees. If we were to support a raise for employees now, we would need to identify employees and positions to cut.

Mr. Mullenax commented that programs have been cut and work hours of employees have been reduced in an attempt to prevent lay offs. We could have done like surrounding counties (Broward and Hillsborough) and lay off 1500 employees, but we chose to look to other areas. Based on the economics of today, we have done what we set as a goal; which was to keep our employees employed. It is painful for all us of.

Mrs. Fields stated it is a difficult decision; fund balance should not be used for reoccurring expenses.

Mr. Harris commented that when the budget is first developed, staff salaries should be identified first; then build the remaining budget.

Mrs. Cunningham stated that the bottom line is that we have to balance the budget; everyone of our employees are important; however at the end of the day, the choice is whether to lay people off or freeze salaries. Freezing wages is the better option.

Mrs. Wright affirmed she will not support this recommendation.

Motions:	
Motion to continue negotiation of and vote on Health Insurance plan until on or before September 30, 2011.	- FAIL
Vote Results	
Motion: Debra Wright	
Second: Tim Harris	
Lori Cunningham	- Nay
Kay Fields	- Aye
Tim Harris	- Aye

Dick Mullenax	- Nay
Frank O'Reilly	- Nay
Hazel Sellers	- Nay
Debra Wright	- Aye

Motion Minutes:

Mrs. Sellers reported that for two years, the district met weekly to come to an agreement. The only way to change the plan is to find more money. She is confident on the figures; outside people have reviewed and supported the financial information. A delay will affect our retirees. The only way to raise funds is to lay off people.

Mr. Mullenax suggested a date of August 30th. Mrs. Wright declined a date change; she requested an executive session to discuss. Attorney Bridges reminded everyone that if the impasse continues, so does the insulated period. Issues cannot be discussed between the board and anyone on staff: even in executive session.

Mr. O'Reilly asked if the district staff is willing to continue negotiations. Dr. Nickell agreed. Mr. O'Reilly stated he will support the amended date of 8/30. If negotiations have gone on for 15 months and a resolution is not met by 8/30, we will be back with the original motion.

Motions:	
Motion to continue negotiations of and vote on the Health Insurance Plan until August 30, 2011.	- PASS
Vote Results	
Motion: Dick Mullenax	
Second: Frank O'Reilly	
Lori Cunningham	- Aye
Kay Fields	- Aye
Tim Harris	- Aye
Dick Mullenax	- Aye
Frank O'Reilly	- Aye
Hazel Sellers	- Aye
Debra Wright	- Aye

Motion Minutes:

Motions:

Motion to continue discussions on Superintendent's Insurance Committee membership until August 30, 2011. - PASS

Vote Results

Motion: Tim Harris

Second: Lori Cunningham

Lori Cunningham - Aye

Kay Fields - Aye

Tim Harris - Aye

Dick Mullenax - Aye

Frank O'Reilly - Aye

Hazel Sellers - Aye

Debra Wright - Aye

Public Hearing

Superintendent's Report

Attorney's Report

Auditor's Report

Board Members' Report

Public Comments Addressing Items Not on Agenda

Adjournment

The meeting adjourned at 7:19 PM. Minutes were approved and attested this 6th day of September, 2011.

Kay Fields, Board Chair

Sherrie B. Nickell, Ed. D, Superintendent