

DRAFT
SCHOOL DISTRICT OF SOMERSET
BOARD OF EDUCATION
HUMAN RESOURCES COMMITTEE *
LEARNING CENTER CONFERENCE ROOM
MONDAY, JULY 7, 2014
5:30 P.M.

MINUTES

Brian Moulton called the meeting to order at 5:30 p.m.

Roll Call was taken. Present were Brian Moulton, Mike Connor and Kelly Ott. Also present were Marie Colbeth, Lorri Baillargeon, Cheryl Ek, Kathy Brakke, Cory Lindenberg, Jen Grambort and Superintendent Randy Rosburg.

2014-2015 Benefits and Wages: Health Insurance: Premiums are known for 2014-2015. The health insurance renewal came back with a 9% increase. The district has changed the plan so the actual increase for 2014-2015 is an overall decrease of -2.7% for the district and -3.4% for employees. The changes in the plan raises the high deduction from \$3000/6000 to \$4000/8000, district contribution to the HSA remains at \$1000/2000, employee contribution to the HSA increases from \$500/1000 to \$1500/3000, the annual premium decreases for the district from \$460/1044 to \$444/1009 and for employees from \$613/1393 to \$593/1345 with the district providing, as needed, the same dollar amount for the unvested HRA funds in the amount of \$1500/3000. Committee recommends approval of the changes to the district provided health insurance plan be brought forward to the full board in July for approval.

Dental Insurance: The dental insurance renewal came back flat, no increase. Currently, the district provides 100% of the coverage costs for dental insurance for employees. We asked the provider of dental insurance to cost out a change in the plan from 100% district provided to 90% district and 10% employee contribution. The change to the plan came back with a flat increase too. The change in this plan decreases the district contribution from \$17121/15408 and increases the employees' contribution from \$0. To \$55/153 per year. Committee recommends approval of the dental plan with the district covering 90% and employees covering 10% of the annual premium be brought forward to the full board for approval in July.

Opt out: There are 30 employees who use the opt out in lieu of health insurance coverage. Of the 30, eight have spouses who use the district provided family health insurance. The opt out amount for spousal opt out is equal to single coverage, \$6,137. The other 22 employees use the opt out rather than district provided insurance. When the Employee Handbook was created three years ago or so a survey was conducted with opt out user who were not spousal users. The data gathered showed that most all of the opt out users would take single or family district provided health insurance. The cost of removing the opt out for these 22 employees was determined to not be a cost effective solution at that time. Gradually grandfathering out the spousal opt out option would provide a cost savings for the district. Reducing the opt out amount for the spousal employees by equal amounts over three or four years is a viable option. Committee recommends grandfathering out the spousal opt out option for employees hired after June 30, 2014 be brought forward to the full board for approval in July.

Health Reimbursement/Retirement (HRA): The district provides HRA funds to 21 district employees in the administrative and supervisory support staff employee groups. Originally, the HRA was for reimbursements for health items not covered by health insurance coverage. The HRA is available as a full HRA or Limited HRA depending on whether an employee used a high-deductible health insurance plan. The HRA benefit was bargained with these two employee groups by the board during the time period in which both groups, of twelve month employees, received zero or point sometime wage increases. Newly hired administrator and supervisory support staff employees are not eligible for the OPEB benefit as it has been grandfathering away since 2006 for all new hires. In lieu of OPEB, administrators and supervisory support staff employees receive funds in an HRA account, as a retirement funded account. The goal when converting the Collective Bargaining Agreement to an Employee Handbook was to keep it the same as much as possible. That same practice has been applied to the administration and supervisor support staff individual contracts.

Short –Term Disability Insurance: The district is providing short-term disability insurance as an optional benefit for employees who elect this coverage. The district provides this benefit at no cost to the district. The employee is responsible for all costs relating to this benefit. With short-term disability insurance available to employees, the district may transition away for providing employee sick bank accounts. Employee sick bank accounts do cost the district funds. Committee recommends providing short term disability insurance as an optional benefit for employees be brought forward to the full board for approval in July.

Long Term Care Insurance: The district is providing long-term care insurance as an optional benefit for employees who elect this coverage. The district provides this benefit at no cost to the district. The employee is responsible for all costs relating to this benefit. Committee recommends providing long-term care insurance as an optional benefit for employees who elect this coverage be brought forward to the full board in July for approval.

Wages: There is no requirement for 2014-2015 for the district to negotiate total base wage or the distribution of a total base wage or for a wage increase to be at or below the CPI. With the teachers and support staff not recertifying as a union for 2014-2015 the district may provide wage increases for these two employee work groups as has been for supervisory support staff and administrators in the past. The district is budgeting for a 2% cost of living wage increases for all employees. A 2% wage increase is the average budgeted for the 2014-2015 school year. Committee recommends approval of a 2% wage increase for all employees with the 2% for teachers equally distributed amongst all teachers be brought forward the full board for approval in July.

Meet and Confer Meetings: Prior to the end of the school year, Superintendent Rosburg held Meet and Confer meetings for all interested and available district employees. The purpose of these meetings was to share with employees the plan for providing benefits and wages for the 2014-2015 school year, to receive their feedback from individuals on this plan and to hear from individuals what other ideas they might have regarding benefits and wages for 2014-2015. Employees were accepting of a 2% wage increase if it was not consumed by increases in employee benefit costs. Teachers supported equal distribution of a wage increase as they wanted to make sure non-veteran teachers had a better opportunity to realize a larger wage increase. Interest exists in collaboratively establishing a performance pay opportunity to increase wages for teachers and support staff employees. Employees who did not attend the meetings provided input and feedback via call, meetings and email messages. All employees received via email a message explaining the planned benefits and wages for 2014-2015. Positive feedback was heard from staff on this process, the opportunity to learn and provide feedback.

Association: There are some teachers in the district that are represented by an Association. The ideas from the association were discussed.

IT Manager Position: RMM Solutions completed an IT Staffing and Assessment. The IT manager wage was discussed. RMM Solutions proposed hiring an IT manager to cover almost all district IT manager responsibilities at the local, average wage. RMM Solutions proposed hiring their proactive Managed Services and GreenLight IT Services for an amount less than the hiring of an IT manager. The timeline and process for hiring an IT Manager or IT Remote Service may be about equal. With the hire of an IT Manager a level of IT Contracted Services still exists. With the hire of IT Remote Services comes the IT Contracted Services with an appropriate level of on campus oversight of existing IT work regarding hardware, software and staff. RMM Solutions proposes starting out with IT Remote Services to organize the current IT hardware, software and staff. Then, consideration could be given to hiring an IT Manager with the appropriate skill set to move forward the work of the IT department. Committee recommends pursuing the RFP process and hire IT Remote Services for the 2014-2015 school year be brought forward to the full board in July for approval.

Ott moved with second by Connor to move to Closed Session in Accordance with State Statute 19.85 (1) (c) for the purpose of discussing negotiations proposals for district employees. Upon roll call vote, all members voted ‘yes; to move into closed session.

Ott moved, with second by Connor to move out of Closed Session. Upon roll call vote, all members voted “yes” to move out of Closed Session.

Topics for Future Agendas:

Ott moved, with second by Connor to adjourn the meeting at 6:50 p.m.

*A quorum of the Board of Education may be in attendance.