

The District School Board of Indian River County met on December 5, 2016, at 5:00 p.m. The hearing was held in the Teacher Education Center located in the School District Office at the J.A. Thompson Administrative Center located at 6500 – 57th Street, Vero Beach, Florida 32967. District School Board Members attending were: Chairman Charles G. Searcy, Vice Chairman Shawn R. Frost, and Board Members: Dale Simchick, Laura Zorc, and Tiffany M. Justice. Dr. Mark J. Rendell, Superintendent of Schools; and Suzanne D’Agresta, School Board Attorney, were also present. Prior to the meeting, Chairman Searcy requested a moment of silence for the loss of our student, Jimmy Graves.

Impasse Hearing Minutes
Special School Board Meeting
Public Hearing to Legislate Impasse between the Superintendent of the School District of
Indian River County, Florida and the Indian River County Education Association

- I. Call Public Hearing to Order – Chairman Searcy
Chairman Searcy announced that this was a Special School Board Meeting to conduct a Public Hearing to Legislate an impasse between the Superintendent of the School District of Indian River County, Florida; and the Indian River County Education Association.

- II. Purpose of the Public Hearing - Chairman
Chairman Searcy stated for the record that this was a public hearing conducted by the School Board of Indian River County, Florida, (“School Board”) pursuant to §447.403, Florida Statutes, to resolve an impasse in negotiations between the Superintendent of the School District of Indian River County, Florida (“Superintendent”), and the Indian River County Education Association (“IRCEA”) involving unresolved issues for the 2016-2017 fiscal year of the Collective Bargaining Agreement. IRCEA declared impasse pursuant to Chapter 447, Florida Statutes. The parties jointly waived the Special Magistrate process.

Pursuant to §447.403(4), Florida Statutes, and communications of the parties on October 28, 2016, both parties submitted to the School Board their recommendations for settling the impasse issues. This public hearing was now required pursuant to §447.403(4)(c), Florida Statutes, in order that each party was afforded the opportunity to explain their positions to the School Board with respect to the impasse issues.

The proceeding was open to the public to observe, but it was a labor proceeding with specific statutory requirements and only the two parties. The Superintendent and IRCEA would make a presentation to the School Board. Each party would be afforded one (1) hour to present their positions on the disputed impasse issues. To allow each party to fully make their presentations, School Board Members were to hold their questions until the end of each party’s presentation. As IRCEA declared impasse, IRCEA was to be called upon first and the Superintendent was to be called upon next.

Upon the conclusion of the presentations by both parties, School Board Members would have an opportunity to ask final questions, deliberate, and then vote on resolution of the impasse issues. The School Board intended to take a brief break approximately every two (2) hours.

III. Introduction of Parties to the School Board - Chairman

Mrs. Cannon, President of the IRCEA, introduced those seated at her table representing Indian River County Education Association: Rich Grady, Regional Specialist with Florida Education Association; and Graham Picklesimer, Treasure Coast Service Unit Director.

Dr. Rendell, Superintendent of Schools, introduced those seated at his table representing the School District of Indian River County's Contract Negotiation Team: Wayne L. Helsby from Allen Norton & Blue, P.A.; Dr. Bill Fritz, Assistant Superintendent of Schools/Human Resources Department; and Sue Titus, School District Budget Analyst in the Finance Department.

IV. Presentation by IRCEA – not more than one (1) hour

Chairman Searcy announced that Indian River County Education Association would present their case. The time allotted was not to exceed one hour. Chairman Searcy reminded Board Members to hold their questions until the end of the presentation. Mrs. Cannon turned the presentation over to Mr. Grady. A binder was presented to the Board (Exhibit A) with additional information that included a copy of their PowerPoint presentation, IRCEAs recommendations to resolve impasse, Appendix G proposal, memorandum of understanding, and IRCEA bargaining unit employees by insurance plan and coverage tier.

Mr. Grady stated that the Board could resolve the impasse this evening by: Option 1 - Accept the IRCEAs proposal; Option 2 - Accept the IRCEAs proposal but enhance that proposal; and Option 3 – Accept the Board's (District's Negotiating Team) proposal that was problematic due to the employee cost factor and that the proposal was not ratifiable. A copy of the IRCEAs Memorandum of Understanding proposal to resolve the impasse was attached. In closing, Mr. Grady said that IRCEAs proposal was fair, affordable, and would rescue hundreds of dedicated employees from utter financial devastation. They urged the Board to adopt their proposal.

A. School Board Questions of IRCEA's Presentation.

Chairman Searcy asked Board Members if they had any questions regarding IRCEAs presentation. Board Members asked questions and received responses from the IRCEA representatives.

Chairman Searcy, in hearing no further questions, called for a short break at 6:37 p.m. At 6:43 p.m., Chairman Searcy reconvened the hearing.

- V. Presentation by the Superintendent – not more than one (1) hour
- Chairman Searcy announced that that the School District would present their case. The time allotted was not to exceed one hour. Chairman Searcy asked Board Members to hold their questions until the end of the presentation. Dr. Rendell gave a short presentation on the fact that the School District, for the past several years, did not collect enough in premiums from employees to cover expenses paid out for claims. He also noted that the District did not budget enough funds to provide the required amount for Safe Harbor. A copy of the District’s proposal to ratify the impasse was listed on page 2 of the Superintendent’s letter that was attached to the agenda. Dr. Rendell stated that their proposal was fair to employees, fiscally responsible, and sustainable. The District submitted to the Board a hard copy of the PowerPoint presentation (Exhibit B).

A. School Board questions of Superintendent’s presentation.

Chairman Searcy asked Board Members if they had any questions regarding the School District’s presentation. Board Member submitted letters from the Office of Insurance Regulation and AON for clarification from staff (Exhibit C). Board Members talked about the presentations and asked questions. They also proposed alternatives to both proposals.

Chairman Searcy, in hearing no further questions, called for a short break at 8:59 p.m. p.m. At 9:08 p.m., Chairman Searcy reconvened the hearing.

- VI. School Board Final Questions and Deliberation – Chairman
- Chairman Searcy asked Board Members if they had any final questions and discussion before calling for a motion. Board Members talked about meeting both proposals in the middle, giving, at least, more of a decrease in insurance premiums for the Teachers’ Union, with the Board covering the decrease from District Fund Balance. Board Members were concerned about cutting because that meant that the additional cost to the District would result in the Board being required to decide where to cut from another area of the budget.
- VII. School Board Motion and Vote on the Resolution of the Issues at Impasse - Chairman
- Chairman Searcy called for a motion. To begin the conversation on the motion, Mrs. Simchick moved approval to accept the Indian River County Education Association’s Memorandum of Understanding as presented. Mrs. Zorc seconded the motion. Board Members commented on the motion. Mrs. Simchick requested to modify her motion to split the recommendation in the middle, with the District paying \$567.00 and all other conditions of the MOU remaining. Mrs. Zorc accepted the modification to the motion.

Dr. Rendell, Mr. Picklesimer, and Dr. Fritz spoke to the motion. Dr. Fritz recommended reducing the District's proposed monthly employee rates in each cell by -\$18.00, with the District at status quo at \$540.00. Board Member asked where the money would come from in the budget. Dr. Rendell stated that, at the beginning, the funding would come from the fund balance. It was noted that the District's revised proposal was acceptable by the District Contract Negotiation Team. The IRCEAs MOU was no longer part of the motion on the floor. Mrs. Simchick said that was now her motion (proposed changes as stated by Dr. Fritz. Mrs. Zorc seconded the amendment that was to accept the reduced premiums proposed by the District (reducing each cell by -\$18.00 per premium per month) with the Board's contribution of \$540, raising the transfer of \$9 PEPM to \$27.00 from the general fund per employee premium to the insurance fund. Board Members discussed the motion and amendments on the floor. Mrs. Simchick noted that she was not proposing premium rates but was proposing to increase the Board contribution from \$9 to \$27.00. She said that the District revised their premium rates to employees, at this meeting, by reducing each cell by -\$18.00. Dr. Rendell said that lowering the rates by -\$18.00 per cell was not a problem. He said that the dollar difference would be made up with a direct transfer. Chairman Searcy said that the Board may need another meeting on the impasse. Board Members discussed the ramifications of the motion on the floor.

Mrs. D'Agresta said that the maker of the motion may withdraw the motion on the floor and all amendments and start fresh, based upon a restitution first from the Superintendent and, then, the Board could propose a new motion that would clean it up. Mrs. Simchick made a motion to withdraw her motion and all amendments on the floor, pending clarification of the District's new proposal. Mrs. Zorc seconded the motion. Dr. Rendell said that the District was amending its proposed solution to the impasse by reducing all rates on slide 20 to the employee by -\$18.00 per cell and transferring that amount from the District's Fund Balance to the Insurance Fund. He continued by saying that the Board's contribution would remain at \$540.00. Dr. Rendell said that this was just for the fiscal year ending 2017. Mrs. D'Agresta said that she would work on this, utilizing the chart on page 2 of the proposal letter from the Superintendent dated November 4, 2016; showing the Board's contribution of \$540.00; that column remaining the same. And the columns titled Total Premium; those cells would each be reduced by -\$18.00; and, then, the per employee per month contribution that was currently reflected in the letter as \$9.00--that amount would be increased to \$27.00 per employee per month; and that would be the proposal effective December 1, 2016, for the remainder of this current fiscal year. Mrs. Simchick moved approval of the motion as stated by Mrs. D'Agresta and seconded for discussion by Mr. Frost. Board Members discussed the motion.

Board Member noted that the motion was a compromise and the Board's work was not done and the Board would need to work on what had to be cut from the existing budget. Board Member stated that he would hope that the Board would discuss seeking recovery from those officers and advisors responsible for prior decisions that resulted in the insurance deficit and bad decisions. Board Member hoped that the Superintendent and Staff would work hard to ensure that the District focused on finding the best way to use funds to educate every student in the District to succeed. There would have to be cuts. The Board voted unanimously in favor of the motion, with a 5-0 vote.

- VIII. Adjourn the Public Hearing – Chairman Searcy
The meeting adjourned at 10:10 p.m.