



**GOVERNING BOARD AGENDA ITEM FORM  
AMPHITHEATER UNIFIED SCHOOL DISTRICT NO. 10**

---

**DATE OF MEETING:** March 5, 2013

**TITLE:** Approval of Compensation Meet and Confer Agreement and Compensation Terms for the 2013-2014 Fiscal Year for Certificated, Classified, Classified Exempt, Professional Non-Teaching, Administrative, and Administrative Exempt Employee Groups

---

**BACKGROUND:**

Each year, members of the District Administration, representing the Governing Board, meet and confer with members of the Amphitheater Education Association (AmphiEA), which is the exclusive representative of the certificated, support staff and professional non-teaching employee groups to discuss the District's compensation package for employees. The Governing Board asks this combined meet and confer group to recommend a compensation package for the subsequent fiscal year. In accordance with Arizona law, the recommendation is advisory in nature, the Governing Board always retaining its discretion to determine the terms of compensation.

Sadly, the combined meet and confer teams again met this year within the context of a continuing bleak financial picture for public education funding in Arizona. For Amphitheater alone, the last several state budgets have slashed the District's finances by a total amount exceeding \$38,000,000. The consequences of this are well known to the Board and include pay cuts and pay freezes for staff.

This year, despite appearances that the state legislature will again offer no increases in education funding that would support compensation increases, the team proposes a package that will stave off some of the financial effects now long endured by district staff as a result of state budgets. To do so, however, will require use of a significant use of the District's capital funding for next year. This "stealing from Peter to pay Paul", however, cannot continue for long. Within two fiscal years, such an approach will be unsustainable without increases in state funding.

The proposal suggested by the meet and confer team includes several components, each of which is described below and in the attached written agreement which was the final product of the process.

**Increased Pay**

The team recommends that, for all employee groups, those eligible for step movement should advance one step on their respective schedules. The approximate cost for this element for 2013-2014 is \$1.5 million.

The team also recommends that, for those employees at the top of their respective salary schedules, the Board should grant an annual longevity stipend of \$500.00. The approximate cost for this proposal during 2013-2014 is \$7,000.

The team also recommends that a cost of living increase of 1.0% be applied to all employee salary schedules. The approximate cost for this element of the proposal for 2013-2014 would be \$750,000.

To ensure that the District's pay structure keeps pace with increases in minimum wage, the team also recommends that the first two ranges of the support staff pay schedule be collapsed into the current third range. The approximate cost of this change for 2013-2014 is to be determined.

Finally, the team proposes that if the District does receive new, undesignated funds from the state legislature or the federal government that can be used for salary, the district will use up to one half of the funds received to further increase the cost of living adjustment described above, to a maximum of 2.0% total. The approximate cost of this part of the proposal would be up to \$750,000.

### **Retirees Who Return to Work**

The team recommends that the district continue to offset any required ASRS contributions for ASRS retired staff members retained through third party contractors against amounts paid to the third party companies. There is no budgetary cost for this element. Indeed, it represents a savings over costs that that would otherwise have to be absorbed.

### **Fringe Benefits**

The district will increase its contribution to health insurance premium support from the current \$268.77 level to \$300.00 per month. The approximate cost for this during 2013-2014 is at least \$500,000 -- depending upon increased utilization that may occur.

The team also recommends reversing the new hire four month waiting period for utilization of leave that was part of the 2012-2013 Meet and Confer recommendation. The approximate cost for 2013-2014 is difficult to determine.

### **Other Terms and Conditions**

By supplement to the Negotiated Agreement, the members of the combined Meet and Confer Team also agreed to additional terms not specific to immediate budgetary impact:

1. It is proposed that the District's 301 Committee study the feasibility of expanding the performance pay program to include employees who participated previously but who have now been excluded from participation by recent court ruling.
2. It is proposed that the District evaluate support staff pay structures, beginning with food service personnel.
3. And, it is proposed that the district convene a committee to study the feasibility of addressing the lack of step movement in recent years.

## **Superintendent's Proposal for Administrator Groups**

District administrators are not represented by the Amphitheater Education Association. As a consequence, they are not covered by the meet and confer proposal described above. The Superintendent does propose, however, that members of the administrative and administrative exempt groups receive similar treatment as other employee groups, to include:

1. Advancement of one step movement on applicable schedule(s) for eligible administrators; for those employees not on a schedule, an increase in compensation of 2% and for those employees at the top of a schedule, an annual longevity stipend of \$500;
2. Cost of living increase to administrative pay schedules; for those employees not on a schedule, a corresponding pay increase of 1%;
3. An additional increase of the cost of living adjustment described above, to a maximum of 2.0% total for all employees, if the District does receive new, undesignated funds from the state legislature or the federal government that can be used for salary; and,
4. Increase of monthly health insurance premium support to \$300 per month.

---

### **RECOMMENDATION:**

The Administration wishes to express its thanks to all the members of the meet and confer teams who worked in a positive and cooperative manner toward the outcome reflected above and in the attachments. The ability of the team members to work together to develop such a package in times such as these, when funding for education has been so drastically cut, is a true reflection of the Amphitheater community spirit.

The Administration also recommends approval of the proposed package for the certificated, classified and professional non-teaching groups. The Superintendent also recommends approval of his proposal for the administrative and administrative exempt groups.

---

### **INITIATED BY:**



---

**Todd A. Jaeger, Associate to the Superintendent**

**Date: February 27, 2013**



---

**Patrick Nelson, Superintendent**