



FOLSOM CORDOVA UNIFIED SCHOOL DISTRICT

2022-23 Summer Negotiations and Budget Update

The Folsom Cordova Unified School District (FCUSD) recognizes the positive impact that our teaching and support staff have on the students in our schools. The District and the community value and appreciate the dedication, talent, and passion of our staff. Negotiations meetings have been held over the summer to address employee concerns and compensation.

Negotiations on June 16, 2022

The Folsom Cordova Education Association (FCEA) provided the District with a proposal. The cost of the proposal would have a financial impact of **\$17,781,000.00 for the 2022-23 school year**.

Negotiations on July 13, 2022

Consistent with Board direction, the District provided a proposal to FCEA. This proposal addresses each of the interests set forth in the Folsom Cordova Education Association's proposal. Specifically, the FCEA presentations and proposal to the the Board have identified the following areas:

- **Total Salary Compensation** – FCUSD has offered an ongoing 6.56% salary increase to all FCEA salary schedules effective 07/01/2022 which is the full Cost of Living Adjustment (COLA) that the state has provided to the District. *This proposal is estimated to cost \$7,794,000 ongoing*
- **Retention of Staff** - FCUSD has offered to help accelerate teachers reaching the top step of the salary schedule sooner and enhance the total compensation of teachers by reducing the total steps on the salary schedule from 24 to 23 and increasing the top step by an ongoing additional 1%. *This proposal is estimated to cost \$404,000 ongoing.*
 - **Title I Staff** - Additionally, to help retain and recruit teachers to our Title I school sites the District has offered an ongoing additional 1% in salary stipend for FCEA staff at Title I school sites. *This proposal is estimated to cost \$370,000 ongoing.*
- **Special Education Stipend** – FCUSD has offered an ongoing stipend of 3% to all special education teachers to help recruit and retrain this position. *This proposal is estimated to cost \$427,000 ongoing.*
- **Recognition of staff** – To recognize the work of the FCEA staff a one-time payment of 2% has been offered. *This proposal is estimated to cost \$2,376,000 one-time.*
- **Health Benefit for Family Coverage** – FCUSD has offered an increase to the family cap for medical coverage of \$1,000. *This proposal is estimated to cost \$286,000 ongoing.*

Additionally, the District has already agreed with FCEA to offer up to three days of additional salary for attending professional development training during the school year that equates to an extra 1.63% in salary. *This proposal, if all FCEA staff participate, is estimated to cost \$1,937,000 one-time.*

The cost of the total proposal would have a financial impact of **\$13,594,000 for the 2022-23 school year**. Teachers would realize an increase in pay for the 2022-23 school year between **8.56%-15.19%** (depending on position) **plus an increase of \$1,000 per year to offset the increase in the cost for the family benefits plans**.

Beyond this proposal to FCEA, the District is projecting an additional expenditure increase of approximately \$2,112,000 for FCEA staff for the rate increase in 2022-2023 related to the State Teachers Retirement System (STRS) of 2.18%, for a total increase in cost for FCEA to the FCUSD budget of \$15,706,000.

Current Status

The Folsom Cordova Education Association responded that they will meet with their Executive Board in August and resume negotiations with the District on August 17th. The good news is that the parties are addressing the same or similar interests. What separates the parties is the total amount of money which is allotted to each interest and the total cost of the settlement.

Beyond the negotiations with FCEA, the District must also ensure there is sufficient funding for negotiations with the other bargaining groups, continued enhancement of programs and services including implementation of universal transitional kindergarten and all-day kindergarten, and the ability to pay for cost increases in utilities, fuel, and other supplies and services.

Once settled, the District plans on using a combination of new revenue as well as reserves to meet the ongoing obligations of this increase to employee compensation. Consequently, over the next two years, the District is projecting a planned deficit spending budget in order to address the interest and needs of our staff as well as the current ending fund balance.

We are optimistic as we resume our meetings with our labor groups in the weeks to come that we will be able to come to a consensus on an agreement that will address the needs of our employees while being mindful of our fiscal commitments.

State Budget Update and Impact to FCUSD

The state budget that was signed included significant new funding to education including a COLA of 6.56% to the Local Control Funding Formula (LCFF), an additional base increase to the LCFF of 6.28% for a total increase of 12.84%. However, it should be noted that the FCUSD adopted budget already included the 6.56% COLA and a base increase of 3.29%, so it is important to realize that the signed state budget included a net of 2.99% in additional LCFF funding that was not included in the FCUSD budget.

Additionally, the State budget includes one-time categorically restricted funding of approximately \$28.8 million as part of two block grants titled Learning Recovery Emergency and Art, Music, & Instructional Materials.

The District will provide a detailed summary of the impact of the state budget during the 45-day revised budget presentation at the August 11, 2022 Board meeting to reconcile differences between the previously adopted FCUSD budget and the state enacted budget.