

2024 Licensed Bargaining Update #3

Information on contract negotiations between Hillsboro Education Association and Hillsboro School District

HSD and HEA re-started negotiations for a successor contract on Tuesday, September 17. To date, teams have completed 15 of 19 scheduled bargaining sessions and have reached tentative agreements on 13 of 20 existing articles. Two revised, non-regressive financial proposals were made by the District at the October 15 session, which reflect current budget realities. Both offer the same opportunity for step advancement:

Step Advancement - Status quo is 4.2% and is assumed in total cost calculation for HSD's offer and HEA's proposal

	Year 1 (2024-25)	Year 2 (2025-26)	Year 3 (2026-27)	Cumulative	Who Benefits?
Wages: Step Advancement (added to GSI* for eligible staff)	4.2%	4.2%	4.2%	12.6%	58.57% of licensed staff (remainder are topped out)

The two wage and benefit offers differ slightly on the GSI percentages in years 2 and 3, the insurance increase in year 1, and the availability of an incentive payment for staff members who are at the top step in year 1. Details here:

HSD Offer 3A - Wages & Benefits

	Year 1 (2024-25)	Year 2 (2025-26)	Year 3 (2026-27)	Cumulative	Who Benefits?
General Salary Increase (GSI)*	2.5%	3.75%	4.0%	10.25%	100% of licensed staff
Insurance Cap Increase (month/annual)	\$0/\$0 (\$1370/mo.)	\$50/\$600 (\$1420/mo.)	\$50/\$600 (\$1470/mo.)	\$100/\$1,200	Impacts members not opting out
Total Estimated Cost	\$3,673,197	\$13,675,731	\$14,561,068	\$31,909,996	Total cost w/Step is \$35,853,821

*General Salary Increase (GSI) - formerly Cost of Living Adjustment (COLA)

HSD Offer 3A Proposed Salary Increase Examples¹

	2023-24 Salary	2024-25 Salary	2025-26 Salary	2026-27 Salary
Column IV/Step E	\$65,282	\$66,910	\$69,419	\$72,196
Column IV/Step M	\$90,716	\$92,989	\$96,476	\$100,336
Column VI/Step O²	\$104,499	\$107,113	\$111,130	\$115,575

¹*Annual Salaries ONLY* - This table does not include stipends, extended contract, or additional days for specific positions.

²Step O was a new step added in the 2021-2024 contract.

HSD Offer 3B - Wages & Benefits

	Year 1 (2024-25)	Year 2 (2025-26)	Year 3 (2026-27)	Cumulative	Who Benefits?
General Salary Increase (GSI)*	2.5%	3.5%	3.5%	9.5%	100% of licensed staff
Incentive for staff @ top step	\$1000	N/A	N/A	One-time \$1000 in Year 1 only	41.43% of licensed staff who are topped out
Insurance Cap Increase (month/annual)	\$25/\$300 (\$1395/mo.)	\$50/\$600 (\$1445/mo.)	\$50/\$600 (\$1495/mo.)	\$125/\$1,500	Impacts members not opting out
Total Estimated Cost of	\$4,792,157	\$13,245,069	\$13,774,669	\$31,811,895	Total cost w/Step is \$35,755,720

*General Salary Increase (GSI) - formerly Cost of Living Adjustment (COLA)

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HSD Offer 3B Proposed Salary Increase Examples¹

	2023-24 Salary	2024-25 Salary	2025-26 Salary	2026-27 Salary
Column IV/Step E	\$65,282	\$66,910	\$69,252	\$71,676
Column IV/Step M	\$90,716	\$92,989	\$96,244	\$99,613
Column VI/Step O ²	\$104,499	\$107,113 + \$1,000	\$110,862	\$114,742

¹*Annual Salaries ONLY* - This table does not include stipends, extended contract, or additional days for specific positions.

²Step O was a new step added in the 2021-2024 contract.

HEA Counter-Proposal from June 11, 2024 - Wages & Benefits

	Year 1 (2024-25)	Year 2 (2025-26)	Year 3 (2026-27)	Cumulative	Who Benefits?
General Salary Increase	5.0%	5.0%	5.0%	15.0%	Impacts 100% of licensed staff
Insurance Cap Increase (month/annual)	\$25/\$720	\$50/\$720	\$50/\$720	\$180/\$2160	Impacts members not opting out
Total Estimated Cost	\$7,878,759	\$15,594,996	\$16,725,561	\$40,199,316	Total cost w/Step is \$44,143,141

In addition to HEA's salary and benefits proposals, the items requested by the Association under Article 6 - *Unit Member Workload* equate to the addition of 145.2 FTE at a cost of \$19,674,399. Therefore, HEA's current proposals on salary, insurance, and class size/caseload are estimated to cost \$63,817,540 over the three-year term of the agreement.

Key Cost Differences Between HSD's Offers and HEA's Current Counter-Proposal

	HSD Offer 3A: \$35,853,821	HSD Offer 3B: \$35,755,720
HEA Current Counter-Proposal: Salary & Benefits	\$44,143,141	
Salary & Benefits Difference	-\$8,289,320	-\$8,387,421
HEA Current Counter-Proposal: Article 6 - <i>Workload</i>	\$19,674,399	
Article 6: Workload Difference	-\$19,674,399	-\$19,674,399
Total Difference	-\$27,963,719	-\$28,061,820

HSD has made deliberate decisions to invest in staffing with our available money over the years, and has an ending fund balance of just 4%, which is very low - especially in comparison to other large local districts. In addition, PERS Employer Rates are increasing by an average of 6.53 percentage points in 2025-27, which is an unprecedented level. Each 1% increase in PERS Employer Rates costs HSD approximately \$1.5 million.

We absolutely value our staff and are committed to compensating them fairly, and we are also committed to being fiscally responsible and effectively serving all of the students in our care. We are appreciative of our partnership with HEA, its leadership, and members; and we are grateful for their collaboration in our current bargaining process.