***A Joint Communiqué from the***

***ITA and IUSD Bargaining Teams …***

The bargaining teams met on October 20th, November 10th and December 1st. The majority of time in those meetings was spent generating options that will deal with the increases in the cost of our health benefits plan.

**Health Benefits and the District Budget**

**The Story:**

* We are looking at a projected $2.4 million structural deficit which will result in a $500,000 shortfall in the required reserves in our health benefits funding in 2011/12
* We are looking at a projected $4 million deficit overall in our health benefits fund in 2012/13

Our contract language states that absent an agreement, the shortfall will be dealt with by a 50/50 split between the district and the employees through payroll deduction …. In this case it would be approximately $100/month, per employee, paid tenthly

* The teams continue to look at options to address the gap between revenues and expenses in the health benefits plan
* In addition, because of cuts to education funding in the state, there is a structural deficit between revenues and expenditures in the district budget of $13 million for 2012/13, some of which can be addressed through one-time monies in reserves

**● The State of the Budget ●**

December 15, 2011 will be a huge day for all of us involved in K-12 public education. That is the date that the California Department of Finance will release the information on state revenues, which will determine whether or not mid-year cuts will be applied to the K-12 schools. Flat-funding for education for 2011/12 was based on an assumption that the state would receive an additional $4 billion in revenue for the year. If the state revenue is between $2 billion and $4 billion short of that number projected in the adopted state budget, triggers will be implemented proportionately and the cuts will be applied for 2011/12. Tied to the mid-year cuts is legislation that allows for furlough days again. If the cuts are applied, the estimates at this time are that the dollar amount cut from the IUSD budget will be an estimated $265 per ADA.

**What Does This Mean to Us?**

We are again in a state of uncertainty. Bargaining can go in many directions depending on what comes out on December 15, so we have set bargaining dates on January 12, February 3, February 17 and March 1. It is our hope to reach an agreement that will inflict as little pain as possible on each and every one of us. We will update you again in January when we have more solid information.

Mid-year cuts will require huge adjustments to the IUSD budget and, in all probability, to your own budget.

**Resources**

Joint Bargaining Updates from 2010/11 and 2011/12 can be accessed here: <http://intranet.iusd.k12.ca.us/hr/>

**Team Members**

ITA Bargaining Team:

* Anne Caenn, Chair, Venado Middle School
* Lauren Pipp, Bonita Canyon Elementary School
* Alan Simsovic, Northwood High School
* John Valerie, Irvine High School

Additional Team Support:

* Laurie Atkinson, Executive Director, Irvine/Tustin Teachers UniServ/CTA/NEA

District Bargaining Team:

* Eamonn O’Donovan, Assistant Superintendent, Human Resources
* Susie Kemp, Principal, Canyon View Elementary School
* John Pehrson, Principal, University High School
* Rena Thompson, Director, Human Resources
* Scott Bowman, Principal, Rancho San Joaquin Middle School

Additional Team Support:

* John Fogarty, Assistant Superintendent, Fiscal Services
* Susana Lopez, Director, Fiscal Services
* John Rajcic, Labor Consultant
* Ruth Romero, Confidential Secretary, Human Resources