

**Southern Minnesota Education Consortium #6083**  
**MARCH 2022 SPECIAL CABINET MEETING MINUTES**  
TUESDAY, MARCH 29, 2022, at 9:00AM  
SMEC ED CENTER, 21697 HWY 56 AUSTIN, MN 55912

A special meeting of the Cabinet of Southern Minnesota Education Consortium #6083 was called to order at 9:02AM by Dan Armagost on Tuesday, March 29, 2022. The meeting opened with the Pledge of Allegiance followed by roll call and determination of quorum.

Cabinet members in attendance in person were Scott Hall (SL). Members that attended virtually via Zoom were Paul Besel (GM), Jamie Goebel (LY), and Jennifer Backer-Johnson (LO). Jim Hecimovich (KSL) and Brian Shanks (AC/GE) were absent. Administration and staff in attendance in person were Executive Director Dan Armagost, Director Denise Kennedy, Business Manager John-Mark Dundas, and Administrative Assistant Ashley Rye; also present virtually via Zoom was Jeff Tietje (GE Principal).

**Approval of Agenda**

No additions or changes to the meeting agenda. Hall motioned to approve the agenda seconded by Paul Besel. All were in favor to approve the special meeting agenda by roll call, motion carried.

**Public Recognition**

Nothing to report.

**New Business**

*\* indicates action items*

- A. *Certified Staff Master Agreement 2022-2024\**: Armagost reviewed changes to the certified staff master agreement as agreed upon by the negotiations committee and SMEC administration. Armagost referenced his informational email to the Cabinet regarding contract settlements. Armagost reiterated that the district turned down all language requests made by staff that gave away managerial rights or had funding tied to the change. The biggest issue for staff was the request for “overload pay” language placed in the contract with an hourly rate for the overload and “Sub Pay” if a teacher lost their prep to cover a class due to another teacher being sick. The district did add a “complaint process”, nondiscriminatory language, clarification language on Snow Days, along with several more grammatical corrections.

Armagost also reported that the majority of the discussion revolved around pay. The employees turned down the proposals presented that froze steps and put percentage on the schedule. After much discussion, the district agreed to leave the steps but would look at placing less money on the salary schedule. The district agreed to placing 1.43% on the schedule for year one and 2% on the schedule for year 2. That is a 3.43% increase on the pay schedule over the next two years. Year one targets the placement of the money on the schedule focusing on steps 1, 4, and 7. On year 2, it reflects 2% across the board. The district felt that by doing this, it makes the contract more appealing to new hires and also provides financial incentive for those that have obtained tenure, and the veteran staff on lane 7 to continue at SMEC. When you look at the steps, about half of the staff will be taking steps so the impact of steps is 2.275% year one and 1.861% year two for a total of 6.412% in steps. The total impact including all benefits, carrying year one increase and adding it to year two is 11.394%

**Certified Staff Contract**

Year 1 – steps 2.275%    Schedule - 1.43% = 3.75%  
Year 2 – steps 1.861%    Schedule - 2.00% = 3.861%

6.412%

3.43%

Armagost requested that the Cabinet approve the master agreement for several reasons:

1. It brings the SMEC contract more on par with other cooperatives and make SMEC more competitive - with a worker shortage, co-ops are fighting over the same people.
2. SMEC has done a great job of “Growing Our Own” specialists. Based on the contracts, staff must serve in SMEC 5 years after they obtain their certificate. At this point, we have a large number of staff whose commitments have been fulfilled. SMEC is hoping this contract will retain staff and help them ignore the calls from competitors.
3. The cost of specialists continues to grow. Region 10 did a survey of the cost for districts that don’t have their own employees and what they are paying for services, the data provided gave a range of \$90-\$120 per hour. If SMEC should need to contract out, it is likely that the districts’ costs increase significantly.
4. The impact on districts should be minimal – as the SPED staff expense increases, so does the amount of state reimbursement funds. 50-60% of the increase would be covered by state aide. In SMEC level 3 programs, any remaining costs are captured by tuition billing and split by the use of programs including outside districts such as Austin, Albert Lea, Stewartville, Fillmore, and others. The main impact to the districts will be for any specialist time they purchase. Districts would put their portion of the cost of the service to SEDRA and receive that 50-60% in state aide and the remaining amount would be the impact on the district. It varies for each district, depending on the amount of specialist time purchased, but again would be a fairly small impact.

Besel inquired if SMEC has established a FY23 budget and if the agreed upon salary increases stay within the budget without potential of going into a deficit. Armagost noted that Dundas is working on a FY23 budget and that a deficit due to salary increases is not anticipated. Backer-Johnson suggested that when budgeting staff salaries for FY23, to incorporate additional, more aggressive substitute pay expenses to ensure there is a cushion. Armagost noted that a higher substitute budget will be incorporated into FY23.

Backer-Johnson asked who SMEC utilizes for insurance. Armagost noted that insurance services are currently through Southeast Service Co-op. SMEC is currently pooled with other small districts so increases occur in smaller increments and insurance rates remain low. Armagost noted that this could change in the future due to an increase in staff.

Dundas shared a spreadsheet that shows how and where annual increases take place, including benefits. Armagost noted that this will be the information utilized at each negotiations period to determine and provide understanding of increases.

Backer-Johnson motioned to approve the 2022-2024 master agreement for certified staff. Second by Hall, all were in favor by roll call. Motion carried

- B. *Non-Certified Staff Master Agreement 2022-2024\**: Armagost requested approval on the non-certified master agreement for 2022-2024 based on the increases: Year 1 – 3.74% / Year 2 – 3.92%.

Besel inquired if there was also language cleaned up in the hourly staff agreement. Armagost noted that the main change in the language for this agreement was the removal of the first snow day being paid and adding a PTO day as a replacement. The reason for this change was due to the large geographical differences which SMEC paraprofessionals work in; some benefited from the free snow day, some did not.

Armagost noted the difficulty finding paraprofessionals to work in the level III and level IV programs, and that many paraprofessionals are moving into teaching positions for SMEC. Armagost disclosed that all vacant positions have been posted and are open to applicants due to several staff resigning for new positions both inside and outside of the co-op. With this considered and paraprofessionals moving into teaching positions, backfilling with qualified staff is a priority. Armagost noted the tough role that level III and IV paraprofessionals play, and that the intention is to retain qualified employees in these positions.

Besel inquired about the starting wage for a paraprofessional. Dundas reported that year 1 (2022-2023) is \$14.20 for a general education paraprofessional, year 2 (2023-2024) is \$14.49 for a general education paraprofessional; an additional 50 cents is added to that wage for a level III paraprofessional and an additional \$1.00 is added for a level IV paraprofessional.

Hall inquired if the percentage increases of 3.74% and 3.92% are inclusive of the 10-step schedule and increase. Armagost noted that total package increase is approximately 11%, as year 1 is added twice. Hall clarified that year 1 3.74% is the schedule they get on their natural steps plus any increase percentagewise. Armagost confirmed.

Dundas shared the hourly staff spreadsheet utilized to show increases of wages along with benefits. Armagost noted that total package is 11.394%.

Besel inquired if a level III and IV paraprofessionals are fully reimbursable. Armagost stated that both levels are reimbursable at 60%, but the other 40% is covered by tuition billing. MA billing also provides additional reimbursements. Any additional third-party billing revenue will also be utilized to purchase a wheelchair van and to cover the salaries of the nurse and those that complete the billing in the office. Armagost noted that MA billing is not directly utilized to reimburse paraprofessionals as this would decrease the rate at which SMEC is reimbursed.

Goebel motioned to approve the 2022-2024 master agreement for non-certified staff. Second by Hall, all were in favor by roll call. Motion carried.

#### **Cabinet Comments**

Armagost noted that both agreements will be shared at the SMEC Board meeting on Wednesday, March 30<sup>th</sup>. No additional comments.

The next regular Cabinet meeting will be Tuesday, April 19<sup>th</sup>, 2022, at 9:00AM at the SMEC Ed Center.

Motion to adjourn by Besel, seconded by Goebel all were in favor by roll call, motion carried.  
The special cabinet meeting was adjourned at 9:33AM.

*Respectfully submitted,*  
Ashley Rye, SMEC Administrative Assistant