



MARCH 8, 2006

**FACT SHEET**

**SFUSD NEGOTIATIONS WITH UESF**

**Fiscal Climate**

- The State has failed to appropriately fund SFUSD and other K-12 districts across the state for the last four years.
- This has led to extreme financial challenges which have already forced other Bay Area districts, including Oakland and West Contra Costa, to relinquish local control to a State Administrator.
- The District continues to provide 100% coverage of health care costs for individuals and subsidized health care for dependents.
- SFUSD firmly believes that teachers and paraprofessionals deserve appropriate raises, and the Board's difficult decisions to close, merge and relocate schools has improved its ability to pay teachers and paraprofessionals more along with what little COLA money remains.
- Initially the District proposed a 4% salary increase over the next two years. UESF proposed 12% over the next year in salary increases alone.
- Unfortunately, the current financial situation does not allow the District to meet UESF's revised demand for an 11% increase within the next year.
- The District, in its latest proposal, has offered 7.5% by June 2007 with 2% immediately.

SFUSD Current Proposal	UESF Current Proposal
Proposal of Feb. 2 <sup>nd</sup> included: <ul style="list-style-type: none"> <li>• 2% salary increase immediately (retro to January 1, 2006)</li> <li>• 1% additional salary increase effective July 1, 2006</li> <li>• 1% additional salary increase effective January 1, 2007</li> <li>• 3.5% salary increase effective June 30, 2007</li> <li>• Total offer is 7.5% by June 2007</li> <li>• Total estimated cash value over the next three years of the salary increases offered by SFUSD is over \$34 million, including more than \$3 million this year and \$10 million next year</li> </ul>	Proposal of Jan. 17 <sup>th</sup> included (Union did not respond to District proposal of Feb. 2 <sup>nd</sup> and unilaterally declared impasse): <ul style="list-style-type: none"> <li>• 3% salary increase retro to July 1, 2005</li> <li>• 3% additional salary increase effective July 1, 2006</li> <li>• 4% additional salary increase effective January 1, 2007</li> <li>• \$400 (Teachers) and \$200 (Para) one time bonus (approximately equal to a 1% salary increase)</li> <li>• Total salary increases amount to 11% over the next year</li> <li>• Additional premiums and benefits increases amounting to approximately \$12 million over the next three years.</li> <li>• Total estimated three-year cash value of the current UESF proposal is over \$72 million including \$13 million this year and \$27 million next year</li> </ul>
Three-year estimates include costs from 7/1/05 through 6/30/08 (Fiscal Years 2006, 2007, and 2008) Cost of 1% salary increase equals \$2.3 million for teachers and \$ 0.4 million for paraprofessionals or \$2.7 million total.	

**Cost of Living Adjustment (COLA) received from the State of California - Where does it go?**

05-06	06-07 (Projected)
\$13,700,000 Gross COLA - \$ 5,041,000 Step and column + \$ 2,855,000 Salary savings from retirement - \$ 2,101,000 Active employer health care costs increase - \$ 2,130,000 Retiree employer health care costs increase - \$ 600,000 Utilities costs increase - \$ 4,500,000 Declining enrollment \$ 2,183,000 Net COLA 0.83% Net COLA Based on Rev. Lim. of \$264 million	\$18,500,000 Projected Gross COLA - \$ 5,041,000 Step and column + \$ 2,855,000 Salary savings from retirement - \$ 3,186,000 Active employer health care costs increase - \$ 2,343,000 Retiree employer health care costs increase - \$ 600,000 Utilities costs increase - \$ 5,200,000 Declining enrollment \$ 4,985,000 Net COLA 1.82% Net COLA Base on Rev. Lim. of \$273 million