



**Illinois Education Association-NEA
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**STATE OF ILLINOIS
EDUCATIONAL LABOR RELATIONS BOARD**

NOTICE OF FILING AND CERTIFICATE OF SERVICE

The undersigned non-attorney hereby certifies that she caused a copy of the foregoing D155 Education Association, IEA-NEA final offer to be served upon the parties listed below on November 13, 2013 in the following manner:

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District 155 Education Association

Final Offer - November 11, 2013

OVERVIEW

The 440 members of the District 155 Education Association take great pride in our work and our district. Each time we enter into negotiations with the Board of Education, we bargain a contract that is fair to all stakeholders - taxpayers, students, and teachers.

From 1995-2012, every contract we bargained led to a surplus for the Board of Education in the Education Fund and the Working Cash Fund. Fund balances in these two accounts have increased from \$8.27 million in 1995 to \$47.5 million in 2012. District 155 continues to be one of the most financially stable districts in the state of Illinois.

The Board of Education has argued that due to a budget deficit in 2013, the Association needs to agree to concessions in order to avoid future deficit spending. It is important to explore the deficit and its relationship to the last contract that was bargained.

In 2011, the Association agreed to a frozen salary schedule for the 2011-2012 and 2012-2013 school years, and agreed to contribute 10% of the individual health insurance premium. Association members were allowed step and lane movement to reflect experience and professional development; however, the schedule itself did not change. In 2012, the district ended with a surplus of \$636,000. In 2013, the District closed the year with a deficit of \$1.9 million.

It was not the teacher contract that created this deficit.

In one budget line item, the Board of Education increased student supplies and materials costs from \$3.5 million to \$5 million. This \$1.5 million increase represents a 42% increase in one year. Removing the drastic increase in this one line item shows that the contract, over the course of two years, would have resulted in a surplus of over \$200,000. In other words, the last contract was fair to all stakeholders.

The negotiating team for the Board of Education has consistently argued that although the District finished FY2012 with \$76 million in total reserves, the District is on the brink of "insolvency." If this is true, Board spending has given us no evidence of concern about insolvency. Over the past three years the District abated \$6.5 million to taxpayers, paid over \$250,000 in bonuses to administrators, created 24 new administrative positions, and completed large scale construction projects such as the \$1 million plus bleacher project at Crystal Lake South High School. A Board of Education truly fearful about insolvency would not spend money this way.

Just like every contract we bargained over the past 20 years, this final proposal is fair to all stakeholders and will allow District 155 to continue offering the quality education that the community has come to expect from our district.

SALARY

OFFER

For the 2013-2014 school year, the Association offers a third consecutive year of a frozen salary schedule. Step and lane movement will be allowed.

For the 2014-2015 school year, the Association offers a fourth consecutive year of a frozen salary schedule. Step and lane movement will be allowed.

For the 2015-2016 school year, the Association offers an increase to the base salary equal to the CPI limiting factor used by the McHenry County Clerk for tax cap purposes. If the CPI limiting factor is greater than 2.5%, the increase to the base salary will be 2.5%.

COSTS

As a point of reference, teacher base salaries for the 2012-2013 school year cost \$36,418,319. The Association estimates the costs of this salary proposal as follows (inclusive of steps and lanes):

2013-14 - \$35,678,340 - Decrease over 2012-2013 of 2.03%

2014-15 - \$36,129,442 - Increase over 2013-2014 of 1.26%

2015-16 - \$37,706,820 - Increase over 2014-2015 of 4.37% (If CPI is 2.5%)

Total increase over three years (inclusive of step and lane) is 3.6%

Average increase/year (inclusive of step and lane) is 1.2%

RATIONALE

To support the above projections, the Association has spent a great deal of time analyzing the actual salary earned by each of our members. Each year, members retire, leave the District, or get promoted into administrative positions. When members leave the Association, they are almost always replaced by a lower cost employee. Our projections account for these changes.

The Board of Education has presented figures to us throughout this bargaining process that adds money for increased costs, but they have never removed money to account for people no longer covered by the Association's collective bargaining agreement. That is why a frozen salary schedule for the 2013-2014 school year results in a decrease. The Board of Education created 24 new administrative positions, moved 19 association members into these positions, and hired lower cost replacements to fill the positions.

Our projections account for these changes, while the Board of Education's projections do not account for these changes.

We have removed the 19 new administrators and added their replacements to our teacher salary costs. The Board of Education kept the 19 new administrative positions in their teacher salary cost projections, even though they are no longer teachers. It should also be noted that the Board of Education granted raises to these 19 new administrators totaling an average of 6.47% per person for one year.

INSURANCE

OFFER

The Association offers maintaining current contract language.

The current contract uses the following system for the renewal of our insurance package: Each year, the insurance package is sent to bid by an insurance broker. If there is any money in the teachers' rebate pool, it is applied to pay the increases in renewal premium. Any money left is rebated to Association members. If there is not enough money in the rebate pool to cover the increase in premiums, the Board of Education and Association split the cost of renewal 50/50. In addition, each Association member contributes 10% of the cost of the individual premium.

COSTS

Depending on the insurance year, the current language could result in no cost increase to the district. It could also result in increases; however, the costs are split 50/50. Here are two examples:

No cost increase example:

The cost of insurance renewal is \$750,000 higher than the previous year.

The teachers' rebate pool ends the year with \$800,000.

The teachers' rebate pool covers the entire cost of the renewal resulting in no increase to the board. The remaining \$50,000 is rebated.

Cost increase example:

The cost of insurance renewal is \$1,500,000 higher than the previous year.

The teachers' rebate pool ends the year with \$500,000.

The teachers' rebate pool covers the first \$500,000 of renewal.

The Board of Education then pays \$500,000 (50%) of the remaining \$1,000,000.

The Association then pays an additional \$500,000 (50%) of the remaining \$1,000,000.

RATIONALE

The Board of Education and Association have always worked together through the insurance renewal process. Splitting the cost of renewal 50/50 (after the Association rebate is applied) is a fair way of controlling insurance increases.

NORMAL TEACHING LOAD

OFFER

The Association proposes the following changes to normal load:

- Teachers (excluding Physical Education teachers) shall not be assigned to more than 5 classroom teaching assignments within their 30 student contact periods per week.
 - Should the need arise to assign a teacher to a 6th classroom teaching assignment, the teacher shall be paid a stipend of \$3,000 per semester he or she is assigned a sixth classroom teaching assignment.
- Teachers with four or more preparations (each course number shall be considered a preparation) will not be assigned a student support/supervision assignment).
- On full-day institute days, Association members will be guaranteed to have at least 4 hours of the day to complete grades or attend to other professional matters in the building. It is understood that members of the Association will be present for the entire day.
- Faculty members shall be eligible to earn flex time when they are required to attend school events during evening and weekend hours as part of their faculty position. (i.e. college nights, concerts, parent meetings, etc.)
 - The Principal shall approve flex time requests.
 - No more than 8 hours of flex time may be used or earned in a year. Flex time may not carry over from year to year.
 - It is not the intent of the Association to have members absent from class to use flex time. Instead, flex time could be granted during prep periods, institutes, late start days, or other non-instructional time.

COSTS

Currently, there is no remuneration for teachers who are assigned to teach a 6th class instead of a student support assignment. If the number of assignments remains fixed, the cost to the district would be \$150,000. The other items in our normal load proposal are no cost items.

RATIONALE

It is inequitable that some of our teachers are assigned a sixth class. This is a significant increase in workload compared to other teachers who are assigned to a math guided study hall, literacy center, or other support assignment where there are no required lesson plans nor grading.

COST SUMMARY

When looking at the total package of outstanding items above and adding in tentative agreements in the areas of Professional Development and Athletic/Activity stipends the Association estimates the total costs of our offer as follows (assumes a 7% insurance renewal increase each year with no money in the teacher's rebate pool):

THREE YEAR SUMMARY

2013-14 - .96% Decrease

2014-15 - 1.83% Increase

2015-16 - 4.14% Increase (assumes a 2.5% CPI)

TOTAL INCREASE OVER THREE YEARS is 5.01%

Average Increase per year is 1.67%

SUMMARY

The members of the District 155 Education Association are committed to providing a quality education for each student. Our members are passionate about our community and our school district. We are committed to reaching a fair and equitable agreement in a timely fashion. We are willing to continue the bargaining process at anytime or anyplace that does not interfere with our top priority - our students.