

November 15, 2013



District 155  
Board of Education  
Final\* Offer (Package Proposal)  
for the  
2013-16 Teachers' Contract

\*Pursuant to State law, following a declaration of impasse, the parties are to submit their final offers to the Illinois Educational Labor Relations Board. The adjective "final," however, is simply a statutory term used within the limited context of State law. It is not intended to indicate an unwillingness on the part of the Board of Education to continue negotiations toward an agreement.

# Purpose Statement



District 155 is comprised of excellent schools made possible by the dedication of outstanding teachers, administrators, support staff, parents, students, and community members.

Work done at the schools enhances our community, and the community has come to expect great things from its high schools.

The contract language proposed by the Board of Education seeks to maintain our long-term stability so that we can live up to and even surpass these expectations.

# The Board is Committed to a Teachers' Contract That...



## Commitments

- Offers competitive salary and benefits packages that attract and retain excellent employees.
- Protects reasonable class sizes and staffing levels.
- Conserves the use of fund balances to withstand current and future financial uncertainties.
- Shields innovative programs and strategic initiatives from fiscal challenges.
- Supports the community values for which District 155 is known.

# The Board Recognizes Instructional Challenges

- Implementing the Common Core Standards
- Meeting Adequate Yearly Progress, according to state and federal legislative requirements
- Keeping pace with advancements in classroom technology
- Evaluating teacher performance according to state legislative requirements
- Addressing individualized educational programming for students with exceptional needs

# The Board Must Plan for Financial Uncertainties



- Failing economic status of the State of Illinois
- Reductions in General State Aid
- Declining state reimbursement for transportation costs
- Declining state reimbursement for categorical costs such as special education
- Possible shifting of increased pension costs to local school districts
- Reductions in federal funding
- Legislative changes that impact local school funding

# The Board is Committed to Maintaining a Fund Balance



## Fund Balances

- The District closed the 2012-2013 school year with a \$3.9 million deficit in its Educational Fund.
- The Board is committed to avoid using fund balances for recurring expenses, such as salaries; fund balances have been used for one-time, non-recurring expenses.
- Maintaining a healthy fund balance guards against financial uncertainties and enhances the financial stability of the district.
- A healthy fund balance and competitive salaries are not mutually exclusive.

# Proposal Summary

The Board's proposal represents a 5.01% increase to total expenditures for teachers' salaries/benefits over the life of the three-year contract and reflects:

- Increases to funding for teacher salaries
- Increases to funding for coaching stipends
- Increases to funding for activity sponsor stipends
- Maintains cost sharing levels for health insurance benefits
- Increases teacher responsibility for funding their own retirement benefits
- Greater teacher responsibility for graduate coursework tuition costs subsequent to receiving a Master's Degree.

\*The Association characterizes its final offer as a 5.01% increase to salary/benefits costs. The Association's offer actually represents an 11.8% increase. Attached as **Exhibit 2** is a complete calculation of the cost of the Association's offer.

\*\***Exhibit 1** (attached) displays a complete cost calculation of the Board's proposal.

# Proposal Summary

The Board proposes that the language from the contract that expired on June 30, 2013, regarding teacher workload be retained.

## Teacher Workload Highlights

- Eight hour work day beginning at 7:00 a.m.
- 40 hour work week can be reconfigured by mutual agreement between teacher, supervisor, and principal
- Daily schedule divided into nine 45-minute periods
- Typical daily schedule composed of:
  - 5 periods of classroom teaching
  - 1 period of student supervision (can be converted to a 6<sup>th</sup> teaching assignment as necessary to meet building needs)
  - 1 period of lunch
  - 2 periods for planning

# Comparisons to Other Districts

In forming the proposal, consideration was given to market conditions by comparing D155 to other school districts within McHenry County and across the suburban area.

Characteristics examined included:

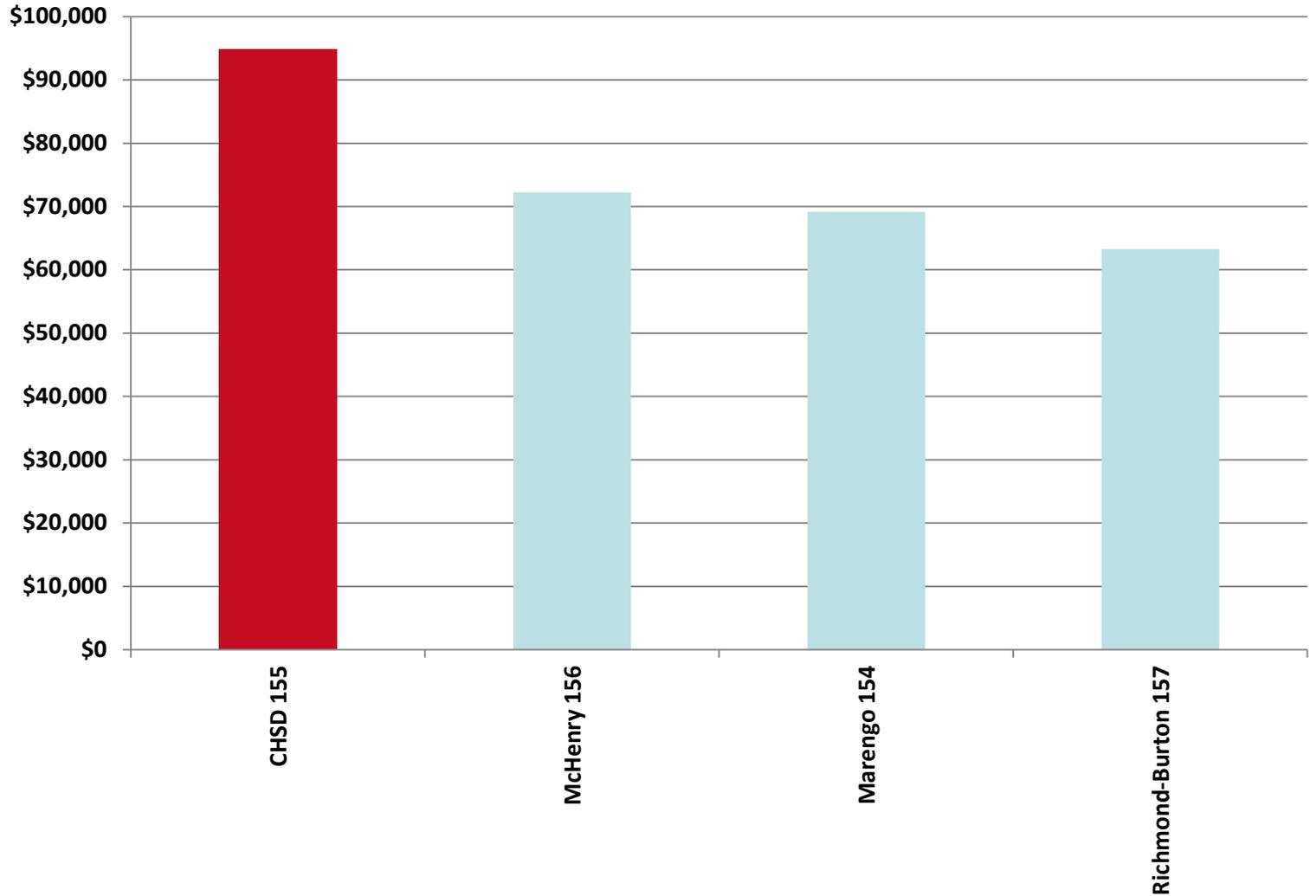
- Average teacher salary
- Average years of teacher experience
- Average class size
- Equalized assessed value per pupil

# Comparison of McHenry County High School Districts

Data Source: 2012 Illinois School Report Card



## Average Teacher Salaries

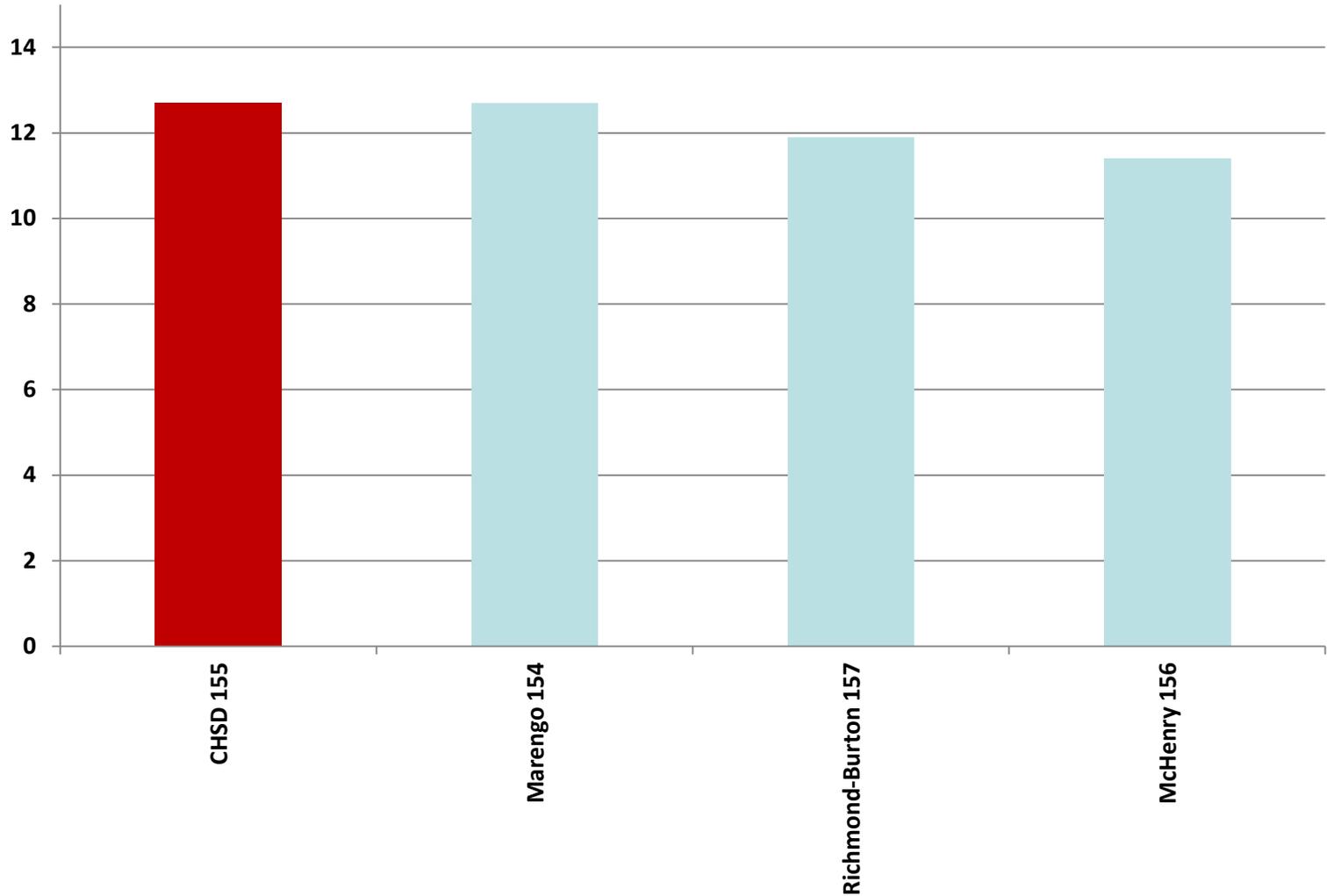


# Comparison of McHenry County High School Districts

Data Source: 2012 Illinois School Report Card



Average Years of Teacher Experience

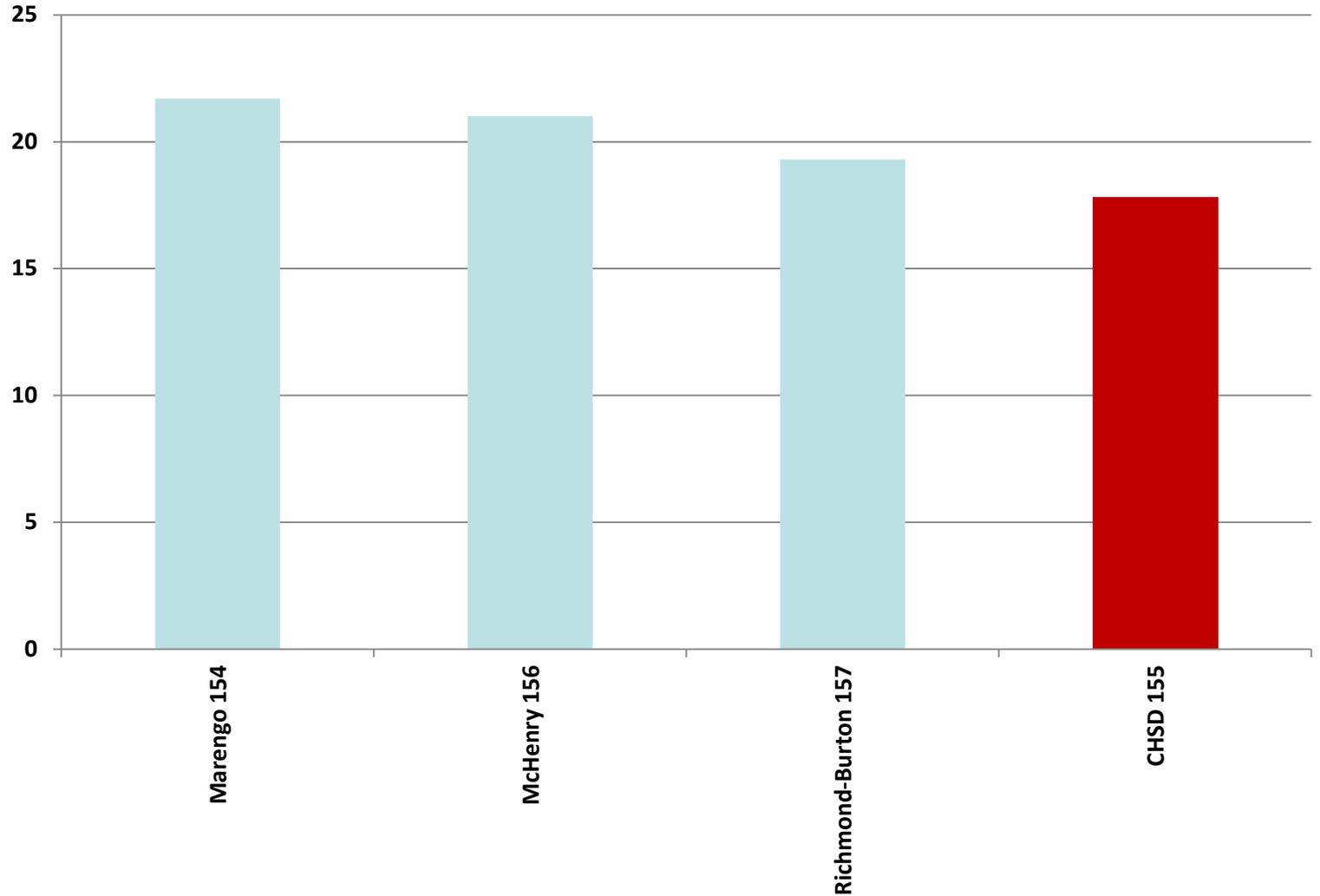


# Comparison of McHenry County High School Districts

Data Source: 2012 Illinois School Report Card



Average Class Size



# Comparison of McHenry County High School Districts

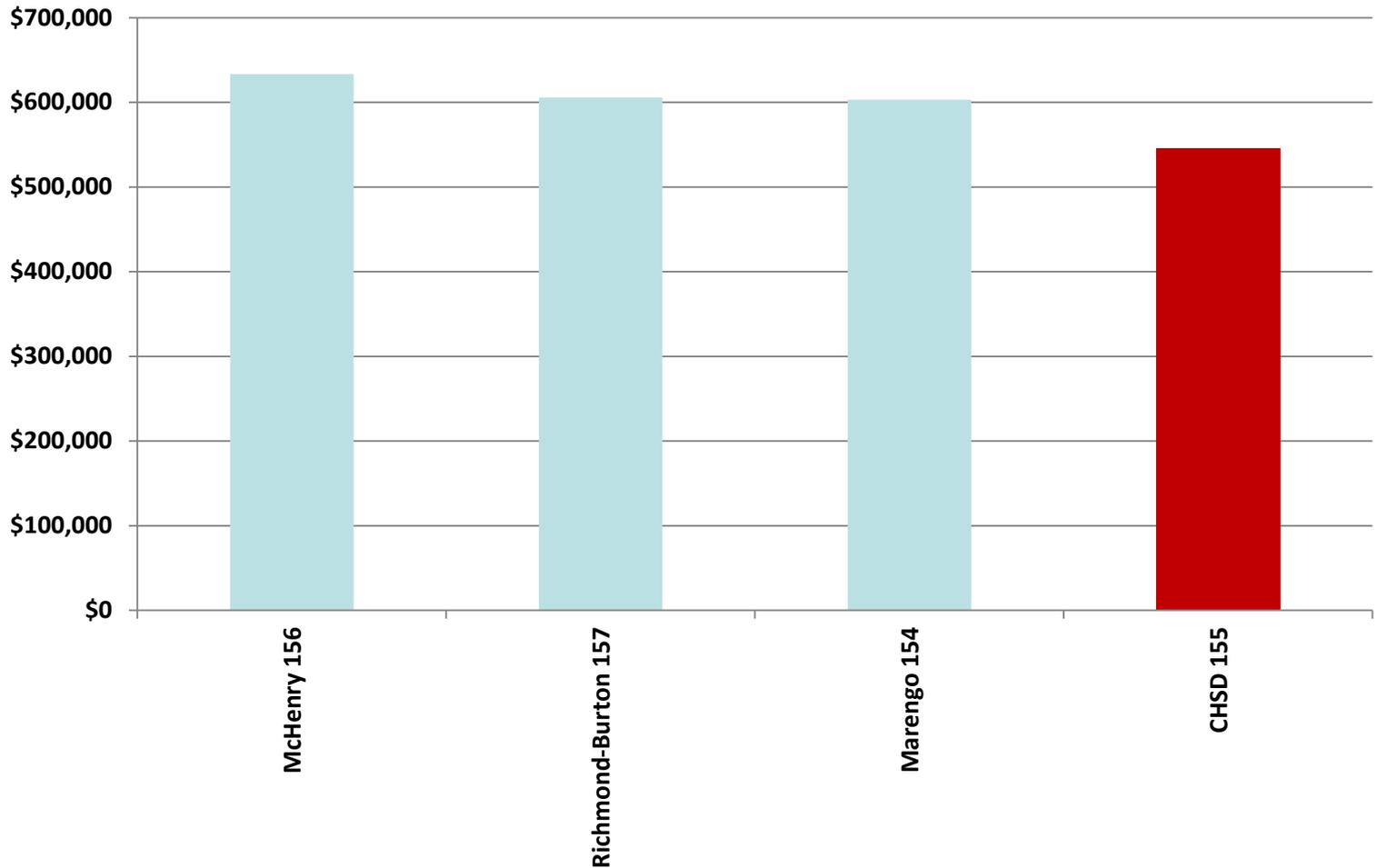
Data Source: 2012 Illinois School Report Card



Equalized Assessed Value per Pupil

**Equalized assessed valuation per pupil** , *an indication of district wealth*, is the district's equalized assessed valuation divided by the nine-month average daily attendance.

**Equalized assessed valuation** includes all computed property values upon which a district's local tax rate is calculated.

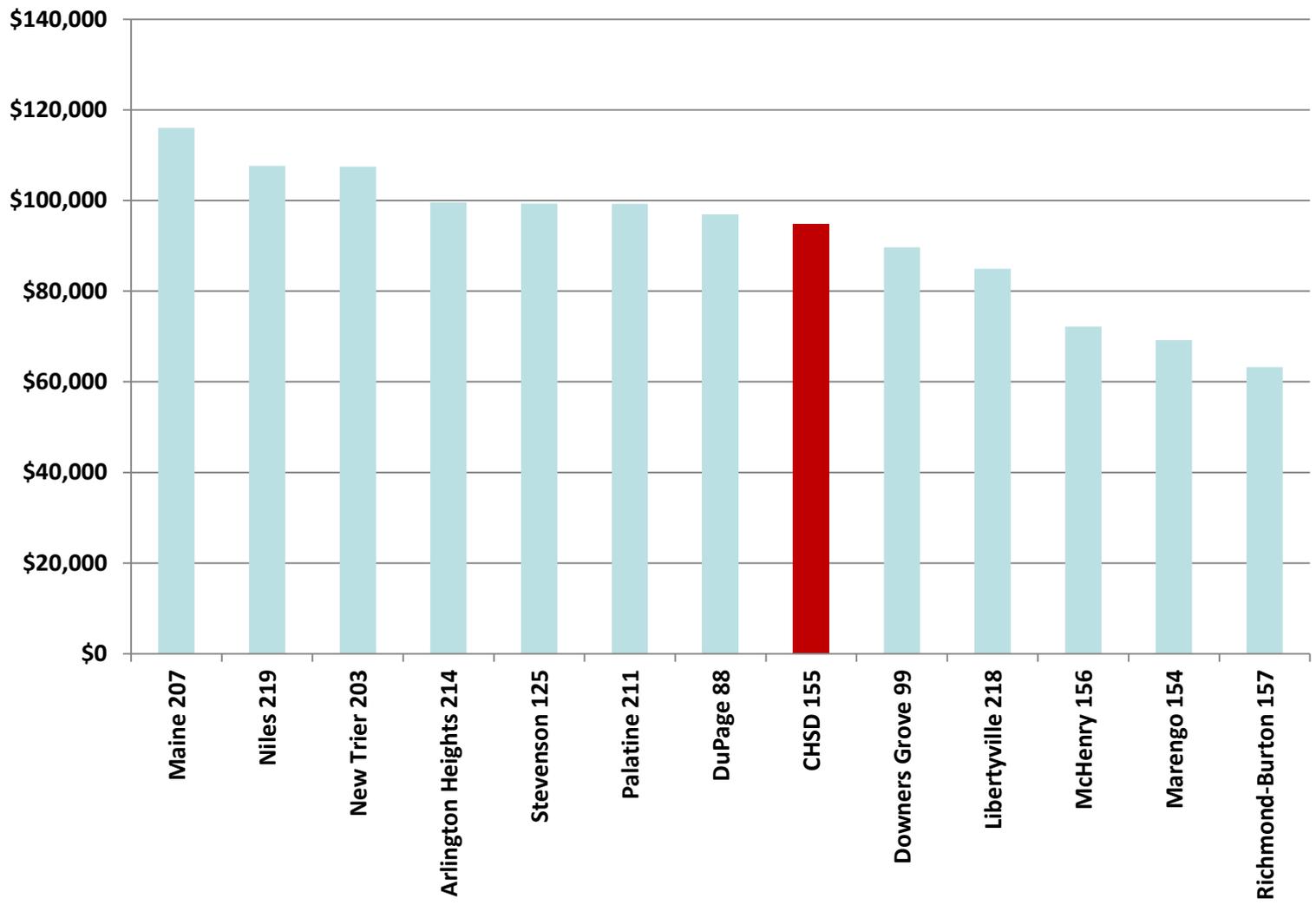


# Comparison of Suburban High School Districts

Data Source: 2012 Illinois School Report Card



## Average Teacher Salaries

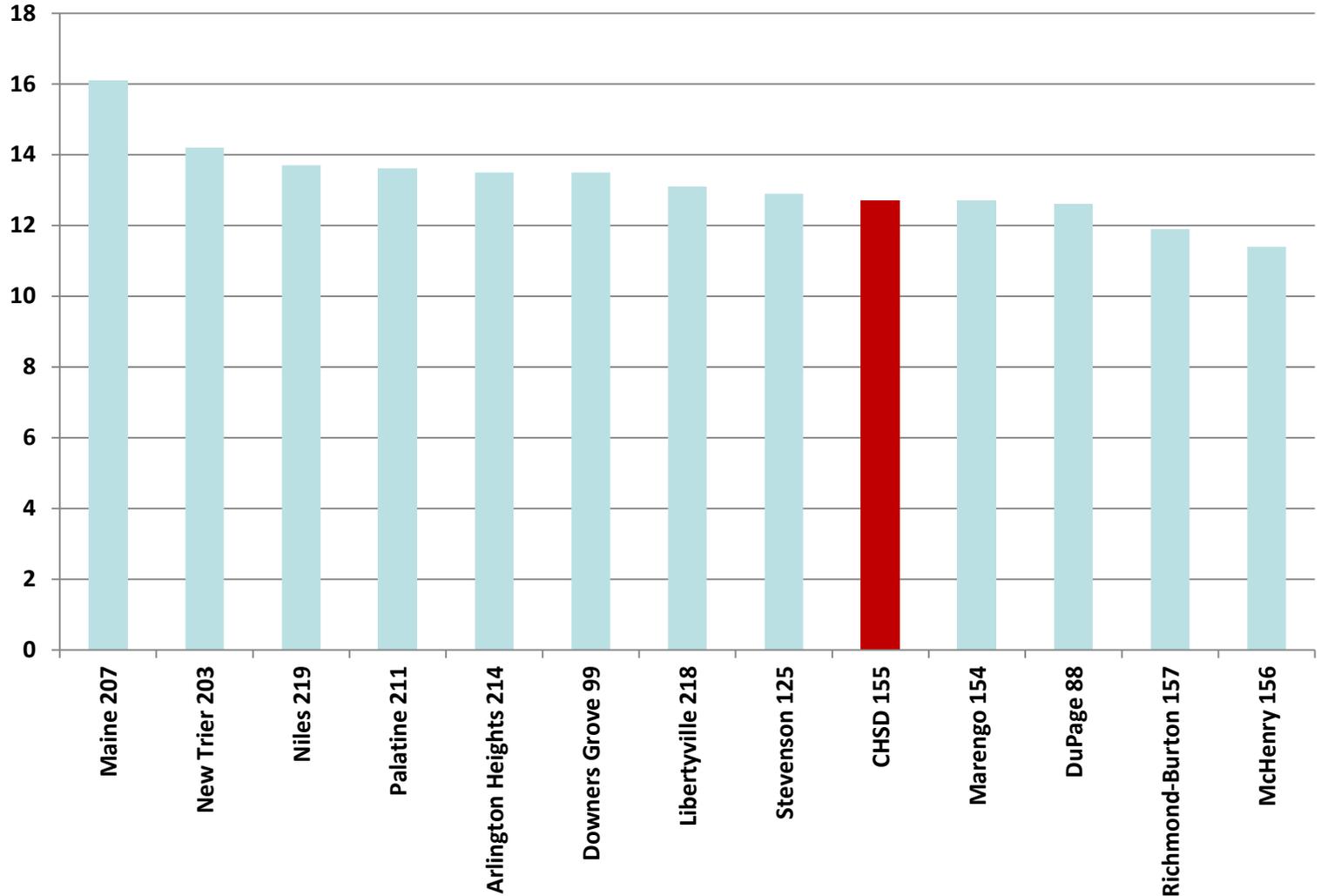


# Comparison of Suburban High School Districts

Data Source: 2012 Illinois School Report Card



Average Years of Teacher Experience

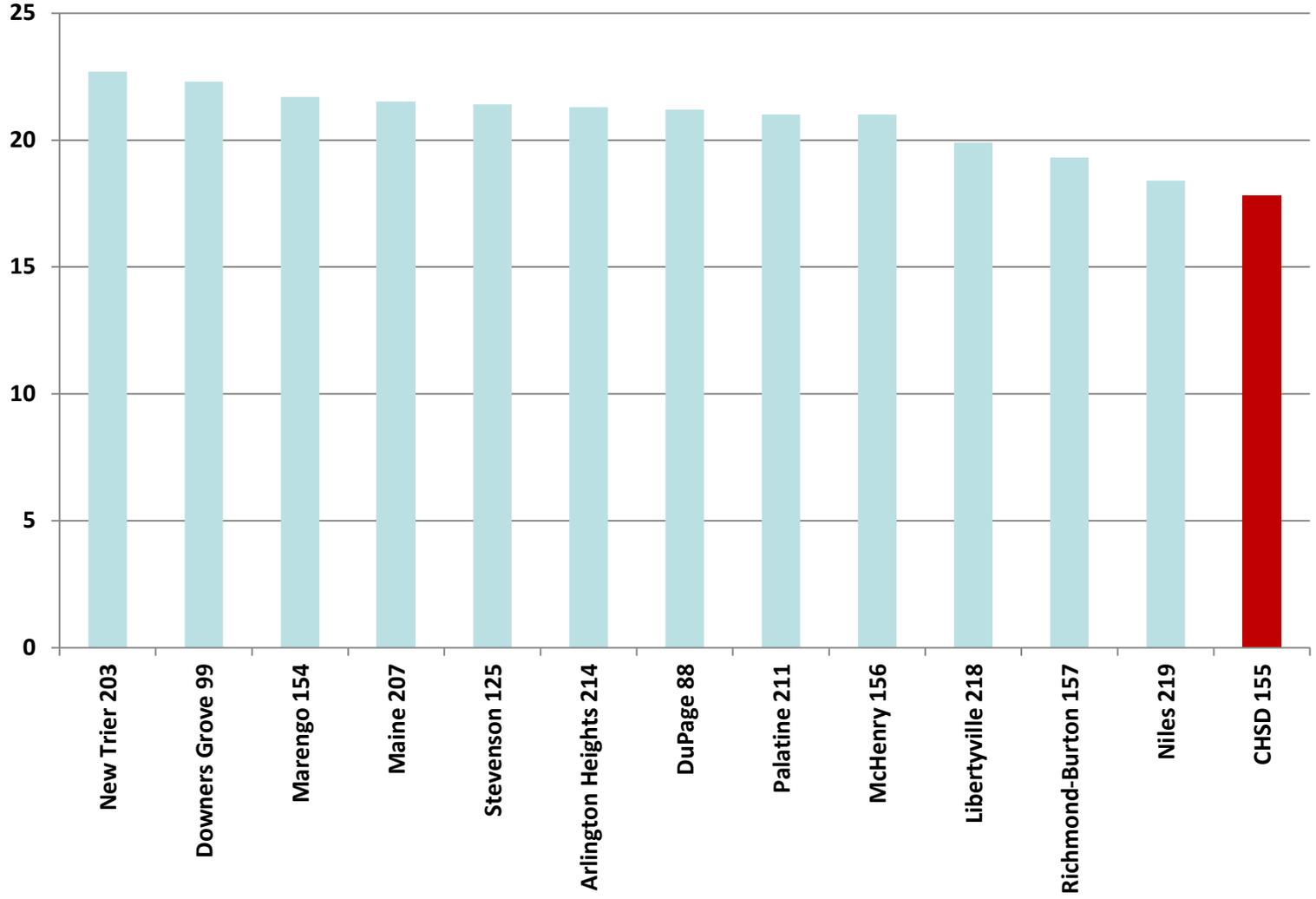


# Comparison of Suburban High School Districts

Data Source: 2012 Illinois School Report Card



Average Class Size



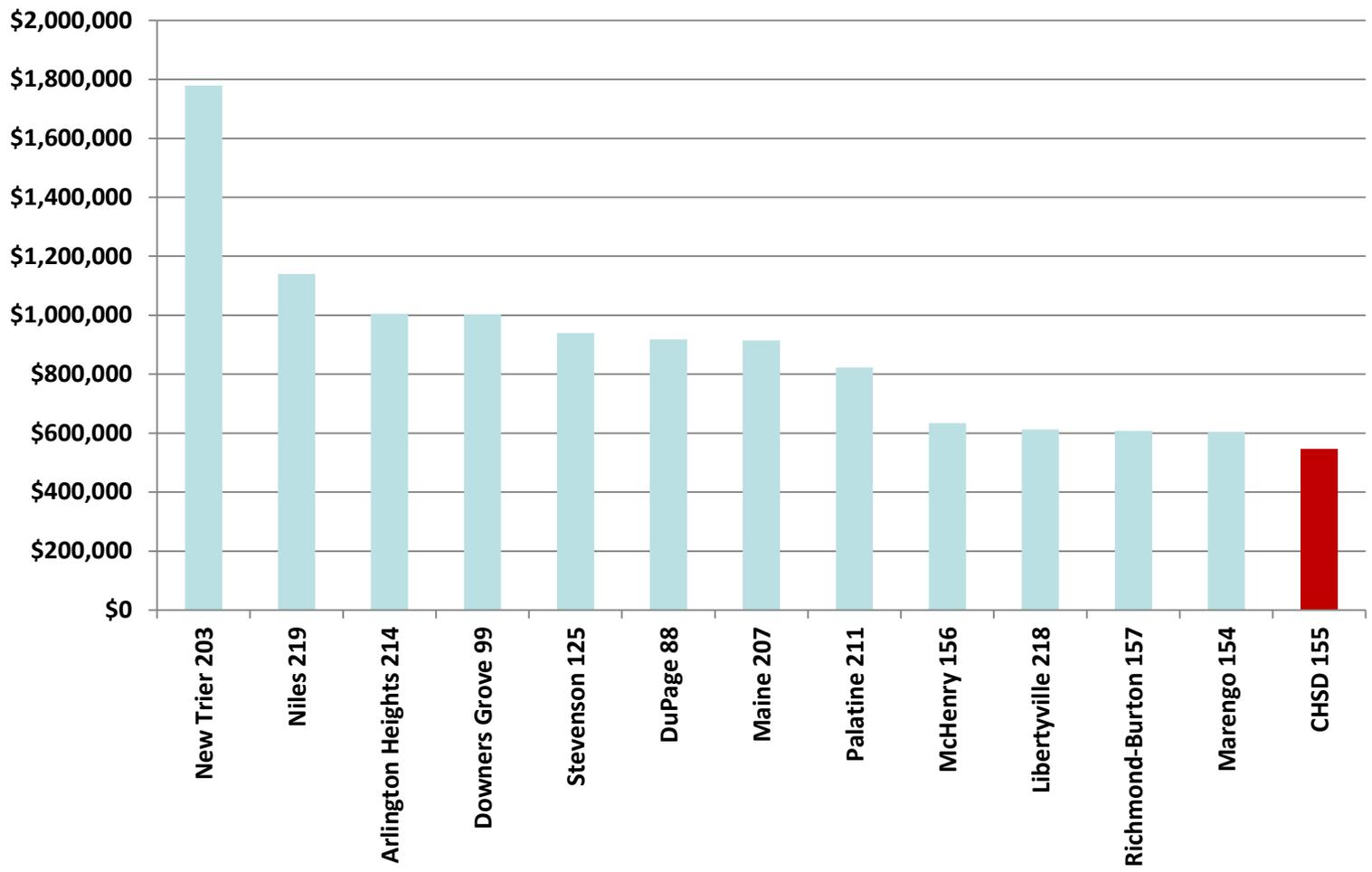
# Comparison of Suburban High School Districts

Data Source: 2012 Illinois School Report Card



Equalized Assessed Value per Pupil

**Equalized assessed valuation per pupil** , *an indication of district wealth*, is the district's equalized assessed valuation divided by the nine-month average daily attendance.  
**Equalized assessed valuation** includes all computed property values upon which a district's local tax rate is calculated.

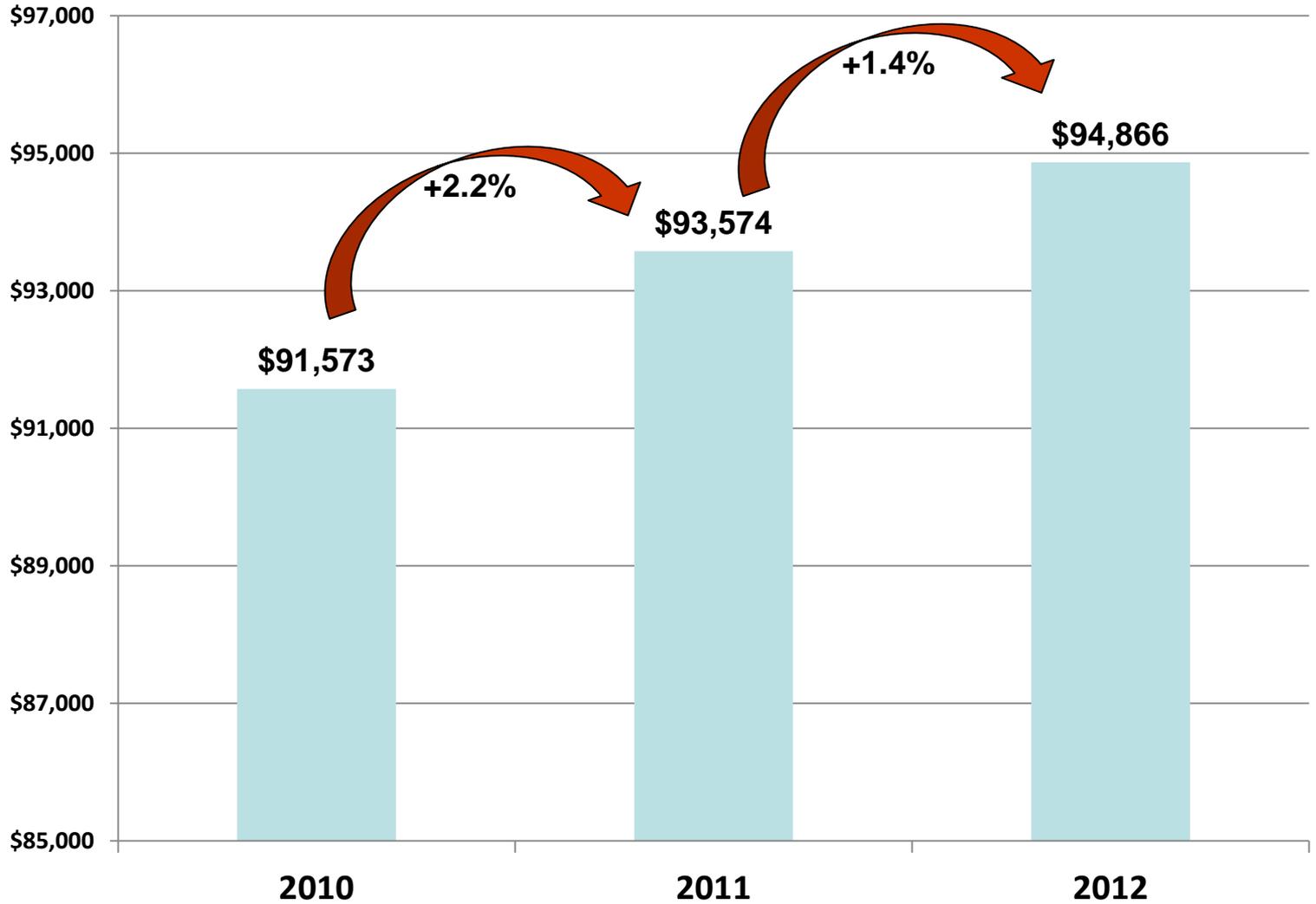


# CHSD 155 Average Teacher Salary 2010-2012



Data Source: 2012 Illinois School Report Card

CHSD 155 Average Teacher Salary



# The Basic Elements of a Teacher's Salary Schedule

A salary schedule in a teacher's contract allows for pay increases in three ways:

- **Base Increase:** A percentage increase that applies to each teacher
- **Step Increase:** Typically awarded after each year of continuous employment
  - Over the past two years the average step increase for a D155 teacher was 2.9% annually.
- **Lane Movement:** Represents a salary increase awarded upon the completion of a predetermined amount of graduate level coursework.
  - Over the past two years D155 teachers experienced 202 instances of lane advancement from a staff of approximately 442 teachers.

# The Basic Elements of a Teacher's Salary Schedule

Step Increase

Lane

	BS + 0	BS + 15	MS + 0	MS + 15	MS + 30	MS + 45	MS + 60
4	50,907	53,310	56,806	59,209	61,613	64,016	66,419
5	53,310	55,714	59,209	61,613	64,016	66,419	68,823
6	55,714	58,117	61,613	64,016	66,419	68,823	71,226
7	58,117	60,520	64,016	66,419	68,823	71,226	73,629
8	60,520	62,924	66,419	68,823	71,226	73,629	76,033
9	62,924	65,327	68,823	71,226	73,629	76,033	78,436
10	65,327	67,730	71,226	73,629	76,033	78,436	80,839
11	67,730	70,134	73,629	76,033	78,436	80,839	83,243

Step

Each successive year a teacher is moved to the next higher “step” on the schedule.

For example, a teacher on Step 9 during 2011-2012 school year would move to Step 10 at the start of the 2012-2013 school year.

# The Basic Elements of a Teacher's Salary Schedule

Lane Movement

The diagram illustrates the components of a teacher's salary schedule. A horizontal arrow labeled "Lane" points to the right, indicating advancement across different levels of education. A vertical arrow labeled "Step" points downwards, indicating progression through experience levels. The table below shows the salary schedule with the cell for Step 6 and Lane MS + 0 highlighted in yellow, and a curved arrow pointing from Step 5, Lane BS + 15 to Step 6, Lane MS + 0.

	BS + 0	BS + 15	MS + 0	MS + 15	MS + 30	MS + 45	MS + 60
4	50,907	53,310	56,806	59,209	61,613	64,016	66,419
5	53,310	55,714	59,209	61,613	64,016	66,419	68,823
6	55,714	58,117	61,613	64,016	66,419	68,823	71,226
7	58,117	60,520	64,016	66,419	68,823	71,226	73,629
8	60,520	62,924	66,419	68,823	71,226	73,629	76,033
9	62,924	65,327	68,823	71,226	73,629	76,033	78,436
10	65,327	67,730	71,226	73,629	76,033	78,436	80,839
11	67,730	70,134	73,629	76,033	78,436	80,839	83,243

A teacher experiences “lane” advancement upon completion of approved graduate level coursework.

For example, a teacher in Lane BS+15 would move to Lane MS+0 upon earning a Master’s degree.

# The Basic Elements of a Teacher's Salary Schedule



	BS + 0	BS + 15	MS + 0	MS + 15	MS + 30	MS + 45	MS + 60
4	50,907	53,310	56,806	59,209	61,613	64,016	66,419
5	53,310	55,714	59,209	61,613	64,016	66,419	68,823
6	55,714	58,117	61,613	64,016	66,419	68,823	71,226
7	58,117	60,520	64,016	66,419	68,823	71,226	73,629
8	60,520	62,924	66,419	68,823	71,226	73,629	76,033
9	62,924	65,327	68,823	71,226	73,629	76,033	78,436
10	65,327	67,730	71,226	73,629	76,033	78,436	80,839
11	67,730	70,134	73,629	76,033	78,436	80,839	83,243

In some years teachers make both “step” and “lane” moves.

For example, a teacher on Step 9 in the BS+15 Lane during one school year might earn a Master’s degree in the summer before the next school year begins. This teacher moves to Step 10 and into Lane MS+0 for the next school year.

The logo for Community High School District 155 is located in the top right corner. It features a red triangle pointing to the right, with the text "COMMUNITY HIGH SCHOOL DISTRICT" in white, uppercase letters inside it. Below the triangle, the number "155" is written in a large, black, serif font, with horizontal lines above and below the number.

COMMUNITY  
HIGH SCHOOL  
DISTRICT

155

# Key Elements of the Board's Proposal

# Economic Item #1



## The Proposal:

### 2013-2014

All teachers will be granted full Step and Lane movement.\* Teachers at the top of the salary schedule (with no step to move into) will be provided a lump sum payment of \$1,350.

### 2014-2015

All teachers will be granted full Step and Lane movement. Teachers at the top of the salary schedule (with no step to move into) will be provided a lump sum payment of \$1,350 above the prior year's salary.

### 2015-2016

All teachers will be granted full Step and Lane movement. Teachers at the top of the salary schedule (with no step to move into) will be provided a lump sum payment of \$1,350 above the prior year's salary.

## The Costs:

Salary	2013-14	2014-15	2015-16
Budget	\$36,221,784	\$37,508,784	\$38,776,518
% change from previous year	3.65%	3.55%	3.38%

\* The Association refers to step and lane movement as being "frozen." In actuality the moves result in annual raises well in excess of 3.0%.

# Economic Item #1



## Rationale:

- Maintains D155's position as a competitive high school district as compared to similar districts in the suburban area
- Provides a salary increase in each year of the agreement
- Compensates our most experienced teachers
- Recognizes the value of continuing education for teachers

# Economic Item #2



## The Proposal:

### 2013-2014

The Board will pay 74% of the required **employee payment** \* to Teacher Retirement System (TRS).

### 2014-2015

The Board will pay 53% of the required **employee payment** to Teacher Retirement System (TRS).

### 2015-2016

The Board will pay 32% of the required **employee payment** to Teacher Retirement System (TRS).

NOTE: The Board also pays an additional employer contribution toward the teacher's pension and an additional amount toward the teacher's post retirement insurance fund.

## The Costs:

Retirement/Pension	2013-14	2014-15	2015-16
Budget	\$2,911,121	\$2,109,907	\$1,281,386

\***Employee payment** refers to the retirement contribution that the worker carries responsibility for. A TRS payment is analogous to the social security payment most workers are responsible for.

# Economic Item #2



## Rationale:

- Employees assume increasing responsibility for funding their own retirement benefits.
- Employee contributions are gradually increased over the duration of the contract.

# Economic Item #3



## Current:

**Single Insurance Coverage:** Employee contributes 10% of premium cost. 90% paid by the Board.

**Family Insurance Coverage:** Employee contributes 10% of single premium cost plus 50% of dependent coverage cost. 90% of single premium and 50% of dependent coverage paid by the Board.

**Staff members married to each other** each contribute 10% of single premium cost. Board contributes the balance of funds needed to support family coverage.

**Staff members at Step19/20** contribute 10% of single premium cost. No additional contribution for family coverage. Board contributes the balance of funds needed to support family coverage.

## Proposal:

Maintain existing cost sharing provisions and all language as expressed in the contract that expired on June 30, 2013.

## The Costs:

Health Insurance	2013-14	2014-15	2015-16
Budget	\$4,825,455	\$5,066,727	\$5,320,064
Anticipated Board paid annual rate increase	5.0%	5.0%	5.0%

# Economic Item #4



## The Proposal:

Professional Development	2013-16
Tuition Reimbursement (pre Master's)	up to \$350/credit hour for approved courses
Tuition Reimbursement (post Master's)	None; approved hours applied to lane advancement
National Board Certification (NBCT)	15 hours granted toward lane advancement; If no lane advancement is available the teacher will receive a \$2000 one-time payment
Lane Advancement	Note: Professional Development also includes rewarding teachers by lane advancement salary increases. The Board proposal includes lane advancement costs for the respective years of the contract in the amount of \$250,000, \$500,000 and \$750,000. Those amounts are not reflected in the chart below.

## The Costs:

Budget	2013-14	2014-15	2015-16
Tuition Reimbursement & NBCT	\$189,000	\$189,000	\$189,000
% change from previous year	-31.2%	0%	0%

# Economic Item #4



## Rationale:

- Reflects the district's long-standing commitment to support the professional development of its newest faculty members.
- Encourages life-long learning opportunities for experienced teachers enabling them to work more effectively with students and deliver quality classroom instruction.

# Economic Item #5



## The Proposal:

- Implement a 6-step stipend schedule with coaches assigned to one of six groups. Stipend levels vary by group and reflect specific demands of the roles within each group. Stipends are calculated as a percentage of the teacher's base salary on the salary schedule.
- The district will employ up to 66 coaches per school. Qualified Association members will be given preference in hiring over external candidates.
- Minor official pay reflects differentiation between events lasting less than and more than 3 hours.

## The Costs:

Budget	2013-14	2014-15	2015-16
Coaching Stipends/Minor Official Payments	\$1,618,165	\$1,681,671	\$1,731,551
% change from previous year	3.6%	3.9%	3.0%

# Economic Item #5



## Rationale:

- Coaches remaining in a sport will receive an annual increase (to a maximum of six years) encouraging longevity.
- Structure recognizes the varied demands coaching assignments place on the individual.

# Economic Item #6



## The Proposal:

- Implement a 6-step stipend schedule with sponsors assigned to one of nine groups. Stipend levels vary by group and reflect specific demands of the roles within each group. Stipends are calculated as a percentage of the teacher's base salary on the salary schedule.

## The Costs:

Activity Budget	2013-14	2014-15	2015-16
Activity Stipends	\$673,771	\$724,460	\$739,699
% change from previous year	11.7%	7.5%	2.1%

# Economic Item #6



## Rationale:

- Sponsors remaining in an activity will receive an annual increase (to a maximum of six years) encouraging longevity.
- Structure recognizes the varied demands sponsor assignments place on the individual.

# Non-economic Item #1

The Board proposes that the language from the contract that expired on June 30, 2013, regarding teacher workload be retained.

## Teacher Workload Highlights

- Eight hour work day beginning at 7:00AM
- 40 hour work week can be reconfigured by mutual agreement between teacher, supervisor, and principal
- Daily schedule divided into nine 45-minute periods
- Typical daily schedule composed of:
  - 5 periods of classroom teaching
  - 1 period of student supervision (can be converted to a 6<sup>th</sup> teaching assignment as necessary to meet building needs)
  - 1 period of lunch
  - 2 periods for planning

# Non-economic Item #1

## Rationale:

- Assigns most teachers to six 45-minute periods of student contact (minimum of 5 periods of classroom instruction) at no additional cost to the district
- Connects teachers with students for the majority of their work day
- Provides opportunities for planning, collaboration with peers, and communication with parents and other stakeholders
- Maintains flexibility to make a 6<sup>th</sup> classroom assignment to meet varying annual needs within existing resources

*The Association's proposal to pay teachers a stipend for a 6<sup>th</sup> classroom teaching assignment would an additional \$336,000 annual expense to the cost of the salary/benefit package based on current staffing patterns.*

# Overall Proposal Highlights

The proposal increases total expenditures for teachers' salaries/benefits by 5.01%\* over the life of the three-year contract.

- Increases funds for teacher salaries
- Increases funds for coaching stipends
- Increases funds for activity sponsor stipends
- Maintains cost sharing for health insurance benefits
- Increases teachers' responsibility for retirement benefit funding
- Increases teachers' responsibility for graduate coursework tuition costs subsequent to receiving a Master's degree.

\***Exhibit 1** (attached) displays a complete cost calculation of the Board's proposal.

# Overall Proposal Highlights



## Summary

In summary, District 155's Board of Education has the highest regard for our excellent faculty. The proposal outlined here seeks to retain and attract outstanding teachers while being mindful of our financial means and our fiscal responsibility to the community. This proposal fairly honors our teachers' commitment to students and the community and supports their efforts in the classroom and beyond.

# Exhibit 1

## Detailed Cost Calculation of Board Proposal



		FY12/13	FY13/14	FY14/15	FY15/16
<b>Salaries</b>					
	<b>FTE</b>				
Total Teacher Base plus Step	442.93	34,945,222 *	35,854,334	36,754,984	37,620,168
Lane Movement			250,000	500,000	750,000
Step 19/20 Adjustment			117,450	253,800	406,350
Athletic Stipends		1,561,344	1,618,165	1,669,051	1,718,931
Activities Stipends		603,460	673,771	724,460	739,699
Overloads		30,036	30,036	30,036	30,036
Traveling Teacher Stipend		69,636	69,636	69,636	69,636
Additional Days		45,835	45,835	45,835	45,835
Mentor Stipends		17,000	17,000	17,000	17,000
Minor Official Increase		-	-	12,620	12,620
ADL (add'l over base year)		-	-	10,488	20,976
<b>Total Teacher-related Salaries</b>		<b>37,272,533</b>	<b>38,676,227</b>	<b>40,087,910</b>	<b>41,431,251</b>
<b>Benefits</b>					
<b>Teacher</b>					
Board Paid Employee TRS		3,686,291	2,911,121	2,109,907	1,281,386
Board Paid Employer TRS		237,575	241,207	244,747	247,733
Board Paid Employee THIS		186,363	193,381	200,440	207,156
Board Paid Employer THIS		282,600	210,016	208,879	207,156
Medicare (1.45% base)		540,452	560,805	581,275	600,753
Tuition Reimbursement/Internal Masters		275,000	189,000	189,000	189,000
Life Insurance		75,214	75,214	75,214	75,214
<b>Medical</b>					
Single		912,615	958,170	1,006,079	1,056,383
Family		1,859,614	1,952,547	2,050,174	2,152,683
Married Staff		448,830	491,859	516,452	542,275
Step 19/20 Family		1,355,143	1,422,878	1,494,022	1,568,723
		4,576,202	4,825,455	5,066,727	5,320,064
<b>Dental</b>					
Dental		382,769	382,769	382,769	382,769
<b>Vision</b>					
Vision		65,597	65,597	65,597	65,597
<b>Disability</b>					
Disability		64,000	64,000	64,000	64,000
<b>Total Teacher-related Benefits</b>		<b>10,372,063</b>	<b>9,718,565</b>	<b>9,188,555</b>	<b>8,640,828</b>
<b>Total Salary and Benefits</b>		<b>47,644,596</b>	<b>48,394,792</b>	<b>49,276,465</b>	<b>50,072,079</b>
			1.57%	1.82%	1.61%

# Exhibit 2

## Detailed Cost Calculation of Association Proposal

	FTE	FY12/13	FY13/14	FY14/15	FY15/16
<b>Salaries</b>					
Total Teacher Base plus Step	442.93	34,945,222 *	35,854,334	36,754,984	37,620,168
Lane Movement			250,000	500,000	750,000
Base Increase			-	-	483,868
6th Period Stipend			336,000	336,000	336,000
Athletic Stipends		1,561,344	1,618,165	1,669,051	1,718,931
Activities Stipends		603,460	673,771	724,460	739,699
Overloads		30,036	30,036	30,036	30,036
Traveling Teacher Stipend		69,636	69,636	69,636	69,636
Additional Days		45,835	45,835	45,835	45,835
Mentor Stipends		17,000	17,000	17,000	17,000
Minor Official Increase		-	-	12,620	12,620
ADL (add'l over base year)		-	-	10,488	20,976
<b>Total Teacher-related Salaries</b>		<b>37,272,533</b>	<b>38,894,777</b>	<b>40,170,110</b>	<b>41,844,769</b>
<b>Supervisions for Teachers &gt;4 Preps</b>					
Paraprofessional Salary & Benefits	4		126,989	130,164	133,418
<b>Benefits</b>					
<b>Teacher</b>					
Board Paid Employee TRS		3,686,291	3,846,732	3,972,864	4,138,489
Board Paid Employer TRS		237,575	247,901	256,029	266,703
Board Paid Employee THIS		186,363	194,474	200,851	209,224
Board Paid Employer THIS		282,600	220,119	227,336	236,814
Medicare (1.45% base)		540,452	563,974	582,467	606,749
Tuition Reimbursement/Internal Masters		275,000	189,000	189,000	189,000
Life Insurance		75,214	75,214	75,214	75,214
Medical					
Single		912,615	958,170	1,006,079	1,056,383
Family		1,859,614	1,952,547	2,050,174	2,152,683
Married Staff		448,830	491,859	516,452	542,275
Step 19/20 Family		1,355,143	1,422,878	1,494,022	1,568,723
		4,576,202	4,825,455	5,066,727	5,320,064
Dental		382,769	382,769	382,769	382,769
Vision		65,597	65,597	65,597	65,597
Disability		64,000	64,000	64,000	64,000
<b>Total Teacher-related Benefits</b>		<b>10,372,063</b>	<b>10,675,235</b>	<b>11,082,854</b>	<b>11,554,623</b>
<b>Total Salary and Benefits</b>		<b>47,644,596</b>	<b>49,697,001</b>	<b>51,383,128</b>	<b>53,532,810</b>
			4.31%	3.39%	4.18%