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INDIAN CREEK SCHOOL DISTRICT 425

Board of Education

Most Recent Offer and Cost Summary

May 24, 2016

Board's Belief Regarding Pay Increases *"Living within Our Means"*

The Indian Creek Board of Education strongly believes in and respects the paraprofessional support staff of District 425. The Board has been negotiating in good faith for 15 months for a fair and equitable contract that reflects several core beliefs regarding fiscal responsibility and pay increases for paraprofessional support staff in the District. The following statements capture the beliefs that the Board feels must be considered to maintain the long-term financial stability of the District.

- Pay increases should be reflective of the pay increases received by community members
- Pay increases should be tied to the ebb and flow of the economy, considering the consumer price index
- Pay increases should ensure financial stability for the District and program viability for the students
- Pay increases should consider pay rates for similar work in neighboring districts
- Pay increases should not require the District to finance raises through borrowing
- Pay increases should reflect equity for all staff members through differential pay for high wage earners

Negotiation Summary

The Board of Education is committed to the negotiation process. The Board of Education and Professional Association of Support Staff (PASS) began negotiations for an initial contract on February 25, 2015. Due to the departure of the lead negotiators for each team, negotiations were suspended in August, 2015, pending assignment of new lead negotiators. While the Board team was prepared to resume negotiations immediately, the PASS team declined to offer any new meeting dates and asked to go to mediation in April, 2016. The Board and the PASS teams jointly entered the mediation process on April 29, 2016, under the auspices of federal mediator Randy Larson. The first session with the mediator was held on April 29, 2016, with little progress. A second session was held on May 24, 2016.

At the second session, the Board offered proposals which indicated movement and progress on the salary issue. The PASS team resubmitted proposals which the Board team had previously rejected twice. The Board team then initiated the Public Posting Process. The Board's most recent offer will be posted on the District 425 website when appropriate. Offers for both parties will be posted on the Illinois Educational Labor Relations Board website (<http://www.illinois.gov/elrb/Pages/FinalOffers.aspx>) on or about June 1, 2015. Currently, no further mediation sessions are scheduled.

Indian Creek Financial Condition

The Board of Education is committed to adopting a fiscally responsible budget on a yearly basis. The Board works to maintain fund balances at a level adequate to maintain levels of service and pay its obligations in a prompt manner in spite of unforeseen events or unexpected expenses. Due to the Board of Education's diligent effort, the District has been consistently honored with the distinction of being a school in Financial Recognition status by the Illinois State Board of Education.

While the Board has managed to achieve such status with additional monies in reserve, the Board must continue to spend its money responsibly due to the revenue shortages, yearly deficits and overall debt of the State of Illinois. The financial shortfalls of the State of Illinois have caused General State Aid to be consistently reduced.

In addition, in the legislature is currently proposed pieces of legislation that would freeze property taxes and not permit the District to realize any new revenue from local sources, transfer state pension obligations to local school districts, and reallocate state financial aid to school districts. Additionally, there currently is no state budget which would allow the Board to reasonably predict its anticipated revenue for the near future.

In light of such proposed fiscally devastating legislation, the Board must continue to be financially responsible and manage the limited revenues that it receives in order to educate its students.

Most Recent Board of Education Proposal on Wages

2015-2016

Covered Employees	Percentage Increase	Salary Cost	Increase Over Previous Year
Employees making less than \$10/hr.	7.4% to 8.1% (.70/hr)	\$170,818	\$12,505
Employees making more than \$10/hr.	3.00%	\$166,831	\$4,859
Starting Salary \$9.25	7.6%		
TOTAL COST for 2015-2016		\$337,649	\$17,364 R(5.4%)

2016-2017

Covered Employees	Percentage Increase	Salary Cost	Increase Over Previous Year
All PASS employees	3.00%	\$347,778	\$10,129
Starting Salary \$9.53	3.00%		
TOTAL COST for 2016-2017		\$347,778	\$10,129

2017-2018

Covered Employees	Percentage Increase	Salary Cost	Increase Over Previous Year
All PASS Employees	3.00%	\$358,211	\$10,433
Starting Salary \$9.81	3.00%		
TOTAL COST for 2017-2018		\$358,211	\$10,433

2018-2019

Covered Employees	Percentage Increase	Salary Cost	Increase Over Previous Year
All PASS Employees	3.00%	\$368,957	\$10,746
Starting Salary \$10.10	3.00%		
TOTAL COST for 2017-2018		\$368,957	\$10,746

Four Year Total New Money Over 2014-2015 Salaries	15.2%	\$48,673	
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Additional Contract Issues

Health Insurance

The Board offers employees a choice in health insurance between an HMO Plan, a Health Savings Account (HSA) Plan, or a “grandfathered”, phased out PPO Plan for the few employees who qualify based upon date of hire.

Historically, the Board has contributed the difference between the least expensive single monthly premium and the premium for the coverage selected by the employee, minus \$34 per month. In essence, the Board has paid more than 90% of the cost of the least expensive, single plan offered by the District. The employee’s contribution for this coverage has been limited to \$34 per month.

The Board has proposed to maintain the same level of contribution for the duration of the new 4-year contract. The employee contribution would increase (5%) annually to help defray the cost of premium renewal. The employee contribution for this plan would be as follows:

Year 1 = \$34/month
Year 2 = \$35.69/month
Year 3 = \$37.47/month
Year 4 = \$39.33/month

Sick Leave Days

The Board practice is to allow the use of 10 paid sick leave days per year for each PASS employee. The work year for PASS employees is currently 176 days (i.e. the student attendance year).

The Board has proposed no change in its current practice of 10 paid sick days per year.

Summation

The Board of Education has respect for its paraprofessional staff and wants to compensate them fairly for their valuable work, while operating within the financial means of the District. The Board of Education takes seriously its responsibility to be a conscientious steward of the District’s finances and remains focused on its primary mission-providing the highest quality of education possible for all of the students that are served in pre-kindergarten through twelfth grade.