

Mt. Olive Education Association Final Offer
November 15, 2013

Teachers of the Mt. Olive Community Unit School District #5 are proud of the outstanding job we do educating the children of our community. Our teachers are committed to providing the best possible education to all district students. The success of the staff is demonstrated by the fact that this year the Mt. Olive School District was the only school district in Macoupin and Montgomery Counties to achieve annual yearly progress (AYP) as required by federal legislation. The Mt. Olive District was one of only 60 school districts out of 800 statewide to meet this requirement.

The Mt. Olive Education Association is committed to maintaining high educational achievement for the district students. In order to do so, the district must continue to recruit and retain excellent teachers. The Mt. Olive School District must be viewed as a district that rewards teachers for extraordinary service. While employees have been granted step and lane movement, the district has not increased the teacher salary schedule. At the same time, the district has provided generous increases to non-certified and administrative staff since 2009. In order to “catch up” for three years of no increases in the salary schedule, the Association is proposing a 4.5% increase for the 2013-2014 school year. This is still significantly below the 8% plus step increase received by non-certified staff and a 6% increase received by administrative staff over the past three years.

As a result of the effectiveness of the contractual retirement incentive, the 4.5% increase plus step would cost the district only \$ 21,982 over the 2012-2013 total salary cost and \$46, 271 less than the total salary cost in 2011-2012.

In the previous contract, the Board of Education made a commitment in writing to maintain the retirement incentive in the 2013-2014 successor agreement.

From the 2010-2013 agreement:

“During the term of the 2010-2013 collective bargaining agreement, the Retirement Incentive Benefit language will not be in effect. It shall resume effective with the ensuing successor agreement beginning with the 2013-2014 school year. Those individuals who are currently participating in the Retirement Incentive benefit shall not be affected by this temporary suspension of the benefit.” Last paragraph Article 6.7 A

All parties understood that the retirement incentive was in the financial interest of the district because it provided an incentive for higher-paid senior teachers to retire and enabled the district to replace them at a nearly 50% cost reduction. Because the Board of Education promised in the current contract in writing to maintain the retirement incentive, because the retirement incentive is in the financial interest of the district, and because current teachers made personal life decisions based upon the district’s written promise, the Association proposes to maintain the retirement incentive language of the contract.

The contractual teacher retirement incentive has worked exactly as designed and intended. Higher-paid senior teachers have taken the retirement incentive and retired and they have been replaced by lower-paid new teachers. As a result, the total salary cost for Mt. Olive teachers has been significantly reduced in each of the past years. In 2011-2012 total teacher salary cost was reduced by \$84,000. In 2012-2013, total teacher salary costs were further reduced. (2011-2012: \$2,148,301 (a savings of \$84,000); 2012- 2013: \$2,079,996 (a savings of \$68,305).

We propose the district pay \$500 per month per employee for the individual health insurance contribution. The increased cost to the district for employee health insurance for the entire bargaining unit for 2013-2014 would be a modest \$6,000 as result of the reduction in the certified nurse position.

The district has proposed that the teachers accept a two-tier salary schedule. The board wants new hires to be paid according to a lesser salary schedule than existing teachers. We are opposed to any two-tier salary schedule. A two- tier teacher salary schedule makes it difficult to attract high quality new teachers because it forever makes them second class teachers in the district. To reiterate, we are unwilling to agree to eliminate the contractual retirement incentive. This is a matter of principle. The board gave their word to continue the retirement incentive in the 2013-2014 contract. A 4.5% increase in the salary schedule with step results in a total salary cost of \$2,101,978, which is less than the district's total salary cost for certified staff in 2011-2012 (\$2,148,301). The Board of Education can well afford the Association's financial package.

Maintain contractual retirement benefit

Increase salary schedule by 4.5%

Cost: \$21,982

Employer contribution for individual health insurance at \$500 per month

Cost: \$6,000