Board of Education of Mt. Olive Community Unit School District No. 5
Final Offer and Cost Summary
March 21, 2012

In accordance with the procedure contained in the Illinois Educational Labor Relations Act, the Board of Education of Mt. Olive Community Unit School District No. 5 submits this final offer to the Mt. Olive Education Association, IEA-NEA. The parties have been bargaining over salary and insurance for the current 2011-2012 school year pursuant to reopener provisions in the parties' current three (3) year agreement, which expires after the 2012-2013 school year. The deletions are shown through ~~strikethroughs~~, while the additions are in **bold** font. The language in italics is italicized in the parties' current agreement.

SUMMARY OF FINAL OFFER

The only 2 items on the table are salary and insurance benefits. On the subject of salary increases, the Board of Education proposal funds/pays for all teachers' "step" increases during the 2011-2012 school year. This means that the Board will pay the cost to advance each teacher on the salary schedule attached to the parties' current agreement. This includes both vertical movement (step increases) for increased experience in the District and also horizontal movement (lane increases) for increased educational attainment. The Board's proposal does not include adding any additional money to the current salary schedule, or otherwise changing the amount listed in the cells on the current salary schedule. The Board's proposal also funds/pays for teachers who are in their last years prior to retirement and receiving six percent (6%) salary increases. Taking into account the four (4) teachers who are benefiting from the District's retirement program and receiving six percent (6%) salary increases, as well as the teachers advancing on the salary schedule, the Board's proposal provides the District's teachers with an average raise of approximately 3.04% in the 2011-2012 school year.

On the subject of insurance costs, the Board proposes to pay up to a maximum flat amount of $475 per month toward employee premium costs, a total of $5,700 per year, per teacher. This maximum flat rate is actually *more* than the cost of monthly insurance premiums that are currently being paid by the Board during the 2011-2012 school year. Presently, the Board pays $466.87 per month on behalf of each teacher, for a total of $5,602.44 per year, per teacher, toward such insurance costs. As stated in the language of Section 5.6 of the parties' agreement, the Board and Association work together to determine insurance coverage and costs for the District's teachers. The Board's reason for proposing to pay up to a maximum flat rate is to ensure teachers have some shared "ownership" in the issue of insurance costs and provide a mutual, guaranteed incentive for both parties to work together to keep these costs at reasonable levels.

TEXT OF FINAL OFFER

Article V – Salary and Benefits
Section 5.1 (Salary Schedule) and Section 5.2 (Salary Schedule and Experience)

5.1 Salary Schedule

Attached is the salary schedule for ~~2010-2011~~ **2011-2012** which is attached to and incorporated into this agreement.

[Retain remaining current language in Section 5.1 of the parties' current agreement]

5.2 Salary and Educational Experience Schedule

1. ~~2010-2011~~ **2011-2012** Salary Schedule is attached. The ~~2009-2010~~ **2010-2011** Salary Schedule shall be maintained for the ~~2010-2011~~ **2011-2012** school year. Those employees eligible for step and/or lane shall receive step and lane credit.

[Retain remaining current language in Section 5.2 of the parties' current agreement]

Section 5.6 (Insurance)

The Board will contribute **up to a maximum of $475** ~~100%~~ of the monthly cost of employee individual group medical **insurance premiums for each full-time eligible employee.-The full** vision~~,~~ and dental insurance premium for each full-time eligible employee **will be paid by the Board**. The Board and the Association shall agree upon the specifications and carrier of the policy. The Board and the Association shall form an Insurance Committee for the purpose of reviewing insurance coverage, cost, and current carrier with the following stipulations:

[Retain remaining current language in Section 5.6 of the parties' current agreement]

COST SUMMARY

The following is a summary of the salaries and insurance premium contributions paid by the Board of Education for the teachers employed by the District during the 2011-2012 school year. To ensure an "apples to apples" comparison, this cost summary of the Board's proposal focuses only on teachers who were employed in the District both last year and this year, to show the actual effect in year-over-year terms for the returning employees under the Board's offer. This cost summary compares the teacher salaries and insurance premiums paid to the District's teachers during the prior school year, compared to the amount offered by the Board for these same teachers during the 2011-2012 school year. Teachers who retired last year receive no raise this year and are not included. Likewise, teachers who are newly-hired this year receive no raise and are not included.

SALARY

Under the Board's offer, the thirty-five (35) teachers that are currently employed by the District in 2011-2012, and were also employed by the District during 2010-2011, will receive a combined increase in pay of $38,998 as result of being paid step increases. Of the 35 returning teachers, there are four (4) teachers participating in the District's retirement program who will receive a 6% increase in salary over the prior year's salary. These four teachers will receive a combined raise in pay of $16,385.66. Overall, these 35 teachers will receive a combined increase in salary during the 2011-2012 school year of $55,383.66, compared to the salary they earned during the 2010-2011 school year. The Board's proposal provides these returning teachers with an average raise of $1,582.39 in the 2011-2012 school year (an approximate increase of 3.04%), as a result of advancing on the salary schedule and participating in the District's retirement program.

Total Salary Increase for Teachers Returning from Last Year: **$55,383.66**.

HEALTH INSURANCE

Turning to the issue of health insurance, during the 2010-2011 school year, the Board paid $484.00 per month, per teacher for health insurance premiums. During the current 2011-2012 school year, following a shift in insurance providers, the Board pays $466.87 per month, per teacher for these costs. However, in addition to the required monthly premium contributions, the Board was also required to pay a substantial one-time termination fee of $66,554.25 during the current 2011-2012 year when a different health insurance provider was selected. This significant termination fee was shouldered solely by the Board. As a result, the Board's health insurance costs this year have increased substantially over those costs paid by the Board during 2010-2011.

Health insurance paid by Board during 2010-2011 = Thirty-nine total (39) teachers x $484/month x 12 months = $226,512.00.

Health insurance paid by Board during 2011-2012 = Thirty-nine total (39) teachers x $466.87/month x 12 months, *plus* $66,554.25 termination fee = $285,049.41.

Total Insurance Contribution Increase: **$58,537.41**.

2011-2012 Salary Schedule

Old Base:	$31,235.88
% Increase:	0.00%
New Base:	$ 31,235.88

STEP	BS	BS+ TRS	M.S.	MS + TRS	MS+ 16	MS + 16+TRS	MS+32	MS+32+TRS
1	$31,235.88	$34,476.69	$36,888.63	$40,715.94	$39,863.48	$43,999.43	$41,350.89	$45,641.17
2	$32,723.29	$36,118.43	$38,077.74	$42,028.42	$41,052.59	$45,311.92	$42,540.02	$46,953.67
3	$34,210.72	$37,760.18	$39,268.22	$43,342.42	$42,243.07	$46,625.92	$43,730.50	$48,267.67
4	$35,698.14	$39,401.93	$40,457.35	$44,654.92	$43,428.11	$47,933.90	$44,919.61	$49,580.16
5	$37,185.57	$41,043.68	$41,647.83	$45,968.92	$44,622.68	$49,252.42	$46,110.10	$50,894.17
6	$38,025.99	$41,971.30	$42,614.93	$47,036.36	$45,589.77	$50,319.84	$47,077.20	$51,961.60
7	$38,866.41	$42,898.92	$43,582.03	$48,103.79	$46,556.87	$51,387.28	$48,044.30	$53,029.04
8	$39,706.83	$43,826.53	$44,697.59	$49,335.10	$47,672.44	$52,618.59	$49,159.86	$54,260.34
9	$40,547.25	$44,754.15	$45,663.33	$50,401.04	$48,638.17	$53,684.52	$50,125.60	$55,326.28
10	$41,387.67	$45,681.77	$46,630.43	$51,468.47	$49,605.27	$54,751.96	$51,092.70	$56,393.72
11	$44,818.82	$49,468.91	$47,597.52	$52,535.91	$50,572.36	$55,819.40	$52,059.79	$57,461.15
12	$45,514.86	$50,237.16	$49,977.13	$55,162.41	$53,844.16	$59,430.65	$55,331.58	$61,072.40
13	$46,705.34	$51,551.16	$51,167.61	$56,476.40	$54,142.45	$59,759.89	$55,629.87	$61,401.64
14	$47,894.11	$52,863.27	$52,356.73	$57,788.89	$55,331.58	$61,072.40	$56,819.00	$62,714.14
15	$48,788.00	$53,849.90	$56,522.06	$62,386.39	$59,496.90	$65,669.88	$60,984.33	$67,311.64
16	$48,788.00	$53,849.90	$56,522.06	$62,386.39	$59,496.90	$65,669.88	$60,984.33	$67,311.64
17	$48,788.00	$53,849.90	$56,522.06	$62,386.39	$59,496.90	$65,669.88	$60,984.33	$67,311.64
18	$48,788.00	$53,849.90	$56,522.06	$62,386.39	$59,496.90	$65,669.88	$60,984.33	$67,311.64
19	$49,680.19	$54,834.66	$56,522.06	$62,386.39	$59,496.90	$65,669.88	$60,984.33	$67,311.64
20	$50,572.36	$55,819.40	$58,009.48	$64,028.13	$60,984.33	$67,311.64	$62,471.75	$68,953.39