



**WOODLAND COMMUNITY CONSOLIDATED
SCHOOL DISTRICT 50
BOARD OF EDUCATION**

**OFFER TO THE WOODLAND COMMUNITY CONSOLIDATED
SCHOOL DISTRICT
WOODLAND COUNCIL (IFT/AFT)**

OCTOBER 7, 2015

The Woodland Community Consolidated School District 50 Board of Education recognizes that a strong public school system is vital to our community. The Board is charged with setting policy, employing a superintendent to carry out the policy and operate the schools, and, on behalf of the taxpaying public, creating a budget for the District.

As part of its budgetary duties, the Board is periodically required to negotiate a labor contract with the Woodland Council of the Lake County Federation of Teachers Local 504/IFT/AFT, the union representing the District's 797 teachers and educational support personnel. The Board and the Woodland Council have been negotiating since January and have met 16 times. Progress has been made on many items, but key issues related to compensation and health insurance benefits remain unresolved. In August, a federal mediator was engaged to assist the parties in reaching agreement and we have met five times with this impartial support and guidance. The Board's current contract with the Woodland Council expired on June 30, 2015 and the terms of that agreement (including salary and benefits) will remain in place until a new agreement is secured.

The Board strongly believes in and respects the teaching and support staff of District 50. We recognize that because educators are responsible for the education and growth of our students, they are the core of a strong school system. Our goals for these negotiations are to reach a contract agreement without disruption to the educational process, exercise sound fiscal management of taxpayer resources, and offer competitive and fair wages and benefits to our employees.

- *No Disruption to Quality Education for all Woodland Students*

The Board is committed to resolving this contract without disruption to the educational process. It is our intent to provide stability to the District, parents, staff, students and community through a fair and fiscally responsible multi-year contract agreement.

- *Committed to Living within Our Financial Means*

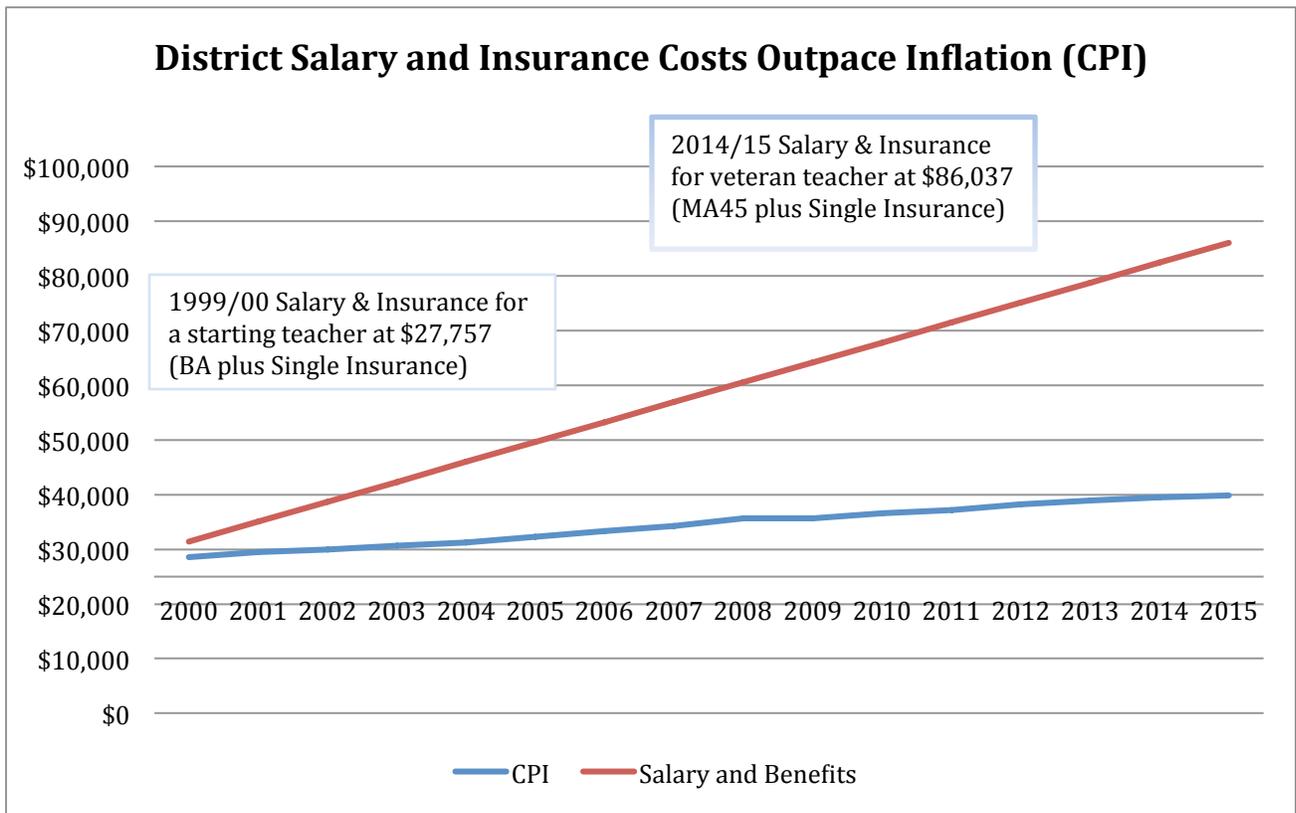
The Board is committed to maintaining a balanced and sustainable budget despite the many financial demands and uncertainties that face our District. This means we must negotiate a sustainable contract agreement that does not commit the District to salary and benefit increases which may not be feasible given the current economic climate and concerns about the potential shifting of teacher pension obligations to local school districts.

- *Attract and Retain a High Quality Staff*

The Board of Education is committed to recruiting and retaining a high quality staff. Our District has long provided excellent employee benefits, working conditions, professional development support and competitive compensation to all employees. This offer continues that tradition.

Financial Overview

The Board recognizes that staff wages and benefits (which comprise over 73% of District expenditures excluding construction) are a top priority, yet one that must be addressed within the funding realities of our District, which are challenging and complex. The salary and benefit packages provided to staff through our contracts have outpaced inflation. The graph below shows the District's starting teacher salary and single insurance in 1999/00 and the highest salary and single insurance on our District schedule 15 years later, compared to the change in the Consumer Price Index over this same period.



In addition to overall instability statewide due to uncertainties about shifting the burden for pension funding to local school districts, frozen property tax rates and annual reductions in nominal state aid, Woodland bears the responsibility for fully funding Prairie Crossing Charter School. These tuition costs have continued to increase over the 17 years the charter school has been in operation, and consume approximately 50% of our General State Aid.

Currently, 80% of District revenues come directly from local sources, primarily real estate taxes, which comprise about 96% of local revenues. Property taxes cannot increase more than the annual change in the Consumer Price Index (CPI). This year's

CPI was 0.8%, which was almost completely offset by the loss of more than \$400,000 per year because of a recent boundary change.

The remaining 4% of local revenues come from student fees, which the District has worked hard to avoid increasing. The Board is committed to keeping registration fees all-inclusive and to avoid assessing extra charges, which could prevent or discourage participation in extracurricular activities and athletics.

State revenues, which comprise 11% of District revenues, are not predictable, often delayed, and in the past, have been reduced. While the State has not increased its General State Aid for schools since 2008, we continue to count on these dollars each year to balance our transportation and education fund budgets.

The financial and political climate in Illinois has led to a budget stalemate in Springfield that could jeopardize our receipt of promised General State Aid funding, let alone any increases in funding to lessen the burden on local taxpayers. It is the Board's position that, without a verifiable expectation for revenue growth beyond the CPI, it would be fiscally imprudent to commit to growth in wages or benefit costs that future budgets may not be able to support.

SUMMARY OF ECONOMIC PROPOSAL

Salary Schedule – Certified Staff

The District's current salary schedule provides for annual increases of approximately 4%, commonly referred to as "step," for all 483 members of our certified staff. Such salary schedules are a tool created decades ago to help bring teacher pay to parity with the surrounding community by guaranteeing raises every year, in addition to raises for achievement of higher education levels. Typically, teacher contracts also include additional increases negotiated periodically based on current economic conditions and inflation.

Effective July 2015, the Board proposes to discontinue use of the salary schedule, except to determine the starting pay for new employees entering the District. We have taken this position because we believe that compensation must be tied to current economic indicators and respond to community expectations to "live within our means," rather than guarantee raises that could become unsustainable. Given the state budget crisis and the possibility of shifting the burden of teacher pension contributions to local school districts, we fear that the sharply escalating salary trend created by the continued use of a salary schedule could very soon cause severe reductions in the quality and scope of service to our students.

District Staff Salary Offer

We are proposing a standard formula that provides annual salary increases for all certified educators. This formula would be based on the Consumer Price Index (CPI) for the preceding calendar year plus an additional percentage increase, with a ceiling and floor to ensure both fairness to our educators and fiscal responsibility to our taxpayers.

School Years 2015/16 through 2019/20

- Salaries less than \$78,000 - CPI plus 1% with a floor of 2% and ceiling of 3%
- Salaries greater than \$78,000 – CPI plus 1% with a ceiling of 2%

Educational Support Personnel (ESP)

School Years 2015/16 through 2019/20

- CPI plus 1% with a floor of 2% and ceiling of 3%

Supplemental Pay Schedule (Appendix F) and Additional Benefits (Appendix G)

The Board believes that students benefit when their teachers are actively involved both in and outside of the classrooms. These appendix schedules itemize the stipends and rates paid, in addition to the regular salary, for extra supervision and leadership responsibilities such as athletics, clubs and other academic enrichment opportunities.

- **School Years 2015/16 and 2017/18 and 2019/20**
 - Increase of 2%
- **School Years 2016/17 and 2018/19**
 - No Increase

Tuition Reimbursement

The Board believes in the importance of lifelong learning and agrees with the Union proposal for Tuition Reimbursement for staff members.

- 2015/16 \$175,000
- 2016/17 \$200,000
- 2017/18 \$225,000
- 2018/19 \$225,000
- 2019/20 \$225,000

Completion of Qualified Post-Baccalaureate Coursework

School years 2015/16 through 2019/20

The Board supports our teachers and educational support personnel in their ongoing professional development and acknowledges the benefit of such education and training to our schools and students.

Therefore, at the beginning of each school semester, eligible certified staff members who have achieved one of the specified post-baccalaureate educational levels will receive an additional salary increase of 3.5% on top of the proposed CPI+ salary increase referenced above, with a combined maximum increase of 6%. This compensation will be offered at the following qualifying levels:

- Bachelor's degree plus 12 credits
- Bachelor's degree plus 24 credits
- Master's degree
- Master's degree plus 15 credits
- Master's degree plus 30 credits
- Master's degree plus 45 credits or National Board Certification.

Retirement Incentive

Eligible certified staff may also receive a maximum of 6% contract increases for up to four (4) years prior to retirement pending proper notification to the Board.

Teacher's Retirement System Contributions

There will be no additional Board contribution to employee retirement funds.

District Staff Health and Dental Insurance Benefits

The Board is committed to providing employees at all pay levels various options to obtain high-quality, comprehensive, affordable health insurance and medical care, while keeping the rising costs associated with such benefits under control by increasing staff contributions. Insurance is available to all full-time District employees and the District pays a substantial portion of the cost of providing this benefit. Contribution rates differ for part-time employees.

Under the federal Affordable Care Act, the PPO \$100-deductible plan currently offered by the District is subject to a "Cadillac Tax" penalty that would cost the District in excess of \$400,000 beginning in 2018. To avoid this penalty, the District seeks to eliminate this health insurance option beginning in the 2016/17 school year.

The Board will continue to offer multiple robust plans with modest deductibles and co-payment requirements for staff to choose from to meet their needs for single or family health insurance coverage, including the current PPO \$500-deductible plan and a PPO \$1500-deductible plan, which can also include a health savings account (HSA) option. In addition, the Board will offer an affordable high-quality HMO option.

Costs shown below are for full-time employees using in-network access and are based on estimated premium rates for 2016/17 as provided by the District's insurance co-operative. The insurance options are unchanged for the 2015/16 school year.

BOARD HEALTH INSURANCE PROPOSAL

For the 2015/2016 School Year, the Insurance Options are unchanged

District Plan Options	PPO 100 Plan		PPO 500 Plan		PPO 1500 Plan		HMO Blue Advantage		Dental	
	Single	Family	Single	Family	Single	Family	Single	Family	Single	Family
% Premium District Pays	85%	70%	97.5%	77.5%	97.5%	85%	Beginning 2016/17		100%	0%
Employee Deductible	\$100	\$300	\$500	\$1,500	\$1,500	\$3,000			\$25	\$75
Out of Pocket - Medical (includes deductible)	\$500	\$1,500	\$1,250	\$3,750	\$3,000	\$6,000			Annual Max Benefit \$1,000	
Prescription Costs - Out of Pocket	\$5 Generic \$10 Brand		\$15 Generic \$30 Brand		80% after Deductible					
2015/16 Annual Premium	\$11,204	\$27,872	\$10,003	\$24,884	\$9,165	\$22,800	\$6,750	\$16,579	\$451	\$703
Per Check Cost to District	\$397	\$813	\$406	\$804	\$372	\$808			\$19	\$0
Per Check Cost to Employee	\$70	\$348	\$10	\$233	\$10	\$143			\$0	\$29

For the 2017 through 2020 School Years, the following Insurance Options will be offered

District Plan Options	PPO 500 Plan		PPO 1500 Plan		HMO Blue Advantage		Dental	
	Single	Family	Single	Family	Single	Family	Single	Family
% Premium District Pays	75%	65%	90%	80%	95%	85%	100%	0%
Employee Deductible	\$500	\$1,500	\$1,500	\$3,000	No Deductible Co-Pays Apply		\$25	\$75
Out of Pocket - Medical (includes deductible)	\$1,250	\$3,750	\$3,000	\$6,000	\$3,000	\$6,000	Annual Max Benefit \$1,000	
Prescription Costs - Out of Pocket	\$15 Generic \$30 Brand		80% after Deductible		\$15 Generic \$50 Brand			
Premium Estimate 2016/17	\$10,403	\$25,879	\$9,532	\$23,712	\$7,020	\$17,242	\$456	\$710
Per Check Cost to District	\$325	\$701	\$357	\$790	\$278	\$611	\$19	\$0
Per Check Cost to Employee	\$108	\$377	\$40	\$198	\$15	\$108	\$0	\$30

2017/2020: Insurance premiums are subject to increases based on annual premium renewals

SUMMARY OF KEY NON-ECONOMIC PROPOSALS

Significant Progress

In our negotiations to date, the Board and the Woodland Council have already reached agreement on 50 items relating to various workplace conditions. Another seven issues have been referred to a joint staff-administration subcommittee for resolution. However, discussion continues on several non-economic contractual elements, principally the following:

Outstanding Board Proposals

Work Day and Work Week

It is our position that the Board should have the authority to determine the arrival and dismissal times for both students and staff. We believe that both teachers and educational support personnel should be on duty until our students are released to the buses at the end of the school day. In some instances, current staff dismissal times are before students and buses leave the campuses.

Online Grade Reporting

To support parent awareness of and engagement in their students' learning, the Board wants to require all teachers to regularly and frequently use the District's online grading system to share information about students' participation and performance on homework, projects, tests and quizzes with parents in accordance with the recommended best practices for use of the system.

Parent/Teacher Conferences

The Board strongly believes in the value of parents partnering with our District educators to help ensure that each student reaches his or her full academic potential. It is important to provide regular opportunities for such dialogue. Specifically, the Board wants to require teachers to attend all scheduled teacher/parent conference sessions (both daytime and evening) and to add sufficient dates and times to accommodate all parents who want to attend.

Hard-to-Fill Positions

The Board wants the discretion to hire nursing staff at pay and experience levels commensurate with their credentials and experience.

Appendices

1. Board Proposal October 7, 2015 – Cost Summary

Certified Staff: Percentage Increase	FY16	FY17	FY18	FY19	FY20
Cost of Increase	\$616,037	\$852,434	\$876,467	\$901,220	\$926,715
Salaries less than \$78,000	CPI plus 1% Ceiling of 3% Floor of 2%				
Salaries at or greater than \$78,000	CPI plus 1% Ceiling of 2%				
* Lane Changes: Advanced College Credit per year	Additional 3.5% not to exceed 6%				

* Lane Change salary increases are available 1 time at the beginning of each school term after achieving the following levels of personal professional development:

Bachelor plus 12 Credits, Bachelor plus 24 Credits, Masters Degree, Masters plus 15 Credits, Masters plus 30 Credits, Masters plus 45 Credits

Educational Support Staff: Percentage Increase	FY16	FY17	FY18	FY19	FY20
Cost of Increase	\$158,166	\$236,092	\$243,174	\$250,469	\$257,982
Educational Support Staff:	CPI plus 1% Ceiling of 3% Floor of 2%				

Contract Appendix F and G	FY16	FY17	FY18	FY19	FY20
Supplementary Pay Schedule	2.00%	0.00%	2.00%	0.00%	2.00%
Student Supervision	2.00%	0.00%	2.00%	0.00%	2.00%
Adult Leadership	2.00%	0.00%	2.00%	0.00%	2.00%
Student Leadership	2.00%	0.00%	2.00%	0.00%	2.00%
Fine Arts	2.00%	0.00%	2.00%	0.00%	2.00%
Additional Benefits Schedule	2.00%	0.00%	2.00%	0.00%	2.00%
Cost of Increase	\$23,158	\$0	\$23,621	\$0	\$24,094

Insurance Benefit Costs: Health, Life and Dental:	FY16	FY17	FY18	FY19	FY20
Expected Increase:	\$442,745	-\$1,368,959	\$284,114	\$295,310	\$307,052

Tuition Reimbursement	FY16	FY17	FY18	FY19	FY20
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Increase Tuition Reimbursement Fund from \$175,000	\$0	\$25,000	\$25,000	\$0	\$0
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Certified Retirement	FY16	FY17	FY18	FY19	FY20
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Increase in retiree stipend from \$951 and \$1,244					
10 Years Service (2 year Payment)	\$1,902	\$1,902	\$1,902	\$1,902	\$1,902
20 Years Service (5 year Payment)	\$2,488	\$2,488	\$2,488	\$2,488	\$2,488
Expected Increase:	\$0	\$13,753	\$11,560	\$6,877	\$25,385

Education Support Staff Retirement Incentive	FY16	FY17	FY18	FY19	FY20
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Expected Increase:	\$10,000	\$0	\$0	\$0	\$0
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	FY16	FY17	FY18	FY19	FY20
Total Increase in Salary and Benefits	\$1,250,106	-\$241,680	\$1,463,936	\$1,453,876	\$1,541,228

Total Increase over 5 years	\$5,467,466
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2. 2014-2015 SALARY SCHEDULE

STEP	BA	BA+12	BA+24	MA	MA+15	MA+30	MA+45
1	34049	36296	37562	38882	40169	41502	42885
2	34405	36779	38067	39407	40711	42065	43469
3	35543	38067	39406	41059	42426	43843	45316
4	36779	39405	40799	42789	44222	45708	47250
5	38067	40798	42244	44603	46104	47660	49273
6	39408	42244	43748	46504	48076	49705	51397
7	40798	43747	45318	48495	50141	51848	53619
8	42244	45317	46945	50579	52304	54092	55948
9	44125	47352	49061	52764	54690	56693	58646
10	46103	49489	51287	55171	57195	59298	61349
11	48179	51734	53620	57701	59824	62033	64185
12	48179	54090	56071	60356	62585	64903	67166
13	48179	56565	58644	63143	65484	67918	70292
14	48179	56565	61346	66071	68528	71084	73576
15	48179	56565	61346	69143	71726	74410	77028

*All teachers shall accrue one year of longevity credit for every year of service in the District, except that teachers who were "off the schedule" at the start of the 2003-2004 school year shall be placed on longevity credit according to side letter, and thereafter shall continue to receive longevity credit for years of service in the District earned subsequent to 2002-2003.

**Those teachers first entering upon longevity for the 2014-2015 school year and those teachers who had previously entered upon longevity shall receive an increase over their 2013-2014 salary of three percent (3%) for the 2014-2015 school year (see example on page 57).