

Geneva Education Association

Proposal for Public Posting

October 23, 2018

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Introduction

Negotiations between the Geneva Education Association (GEA) and the Board of Education of Geneva Community Unit District 304 for a successor collective bargaining agreement began on February 15, 2018. The two sides met 11 times using the interest-based bargaining process but failed to reach a tentative agreement. Since then, the GEA has taken several steps in hopes of reaching a tentative agreement. These include:

- Calling on the school board to join us in asking for the help of a mediator from the Federal Mediation and Conciliation Service. The joint request to FMCS was made on August 17, 2018.
- Teaching without a contract. The current CBA expired on August 15, 2018.
- Engaging in five negotiations sessions with the federal mediator.

On October 18, 2018, the two sides met for the fifth time with a federal mediator, who suggested the GEA send three representatives from its team to present its proposal to three representatives of the school board team.

This document in the Geneva Education Association's most recent proposal presented to the school district's team that evening.

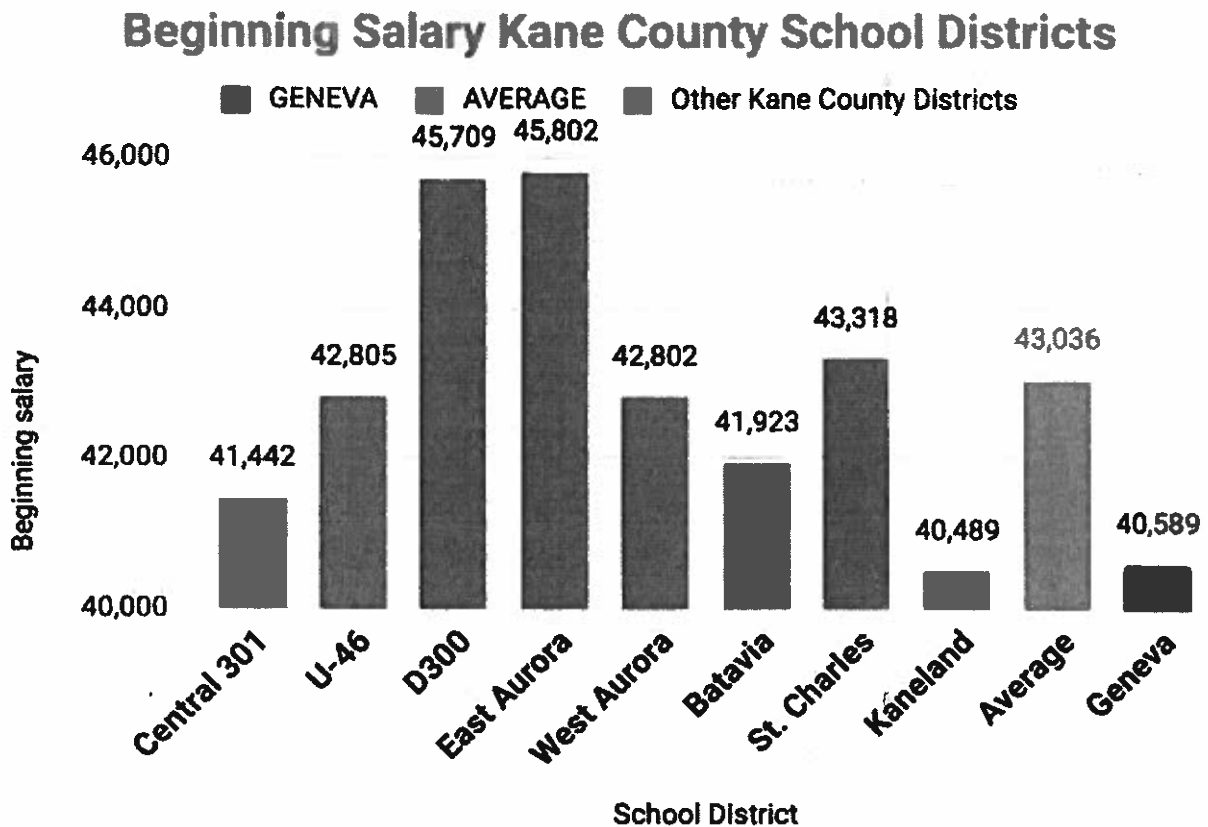
Background

Prior to 2007, in anticipation of new housing in the district and the accompanying increase in property tax base and school-age children, the school board asked community members to approve a bond referendum. The referendum passed and the school board borrowed money to build and improve several of its schools. Following the crash of the housing market in late 2007, new home construction came to a standstill

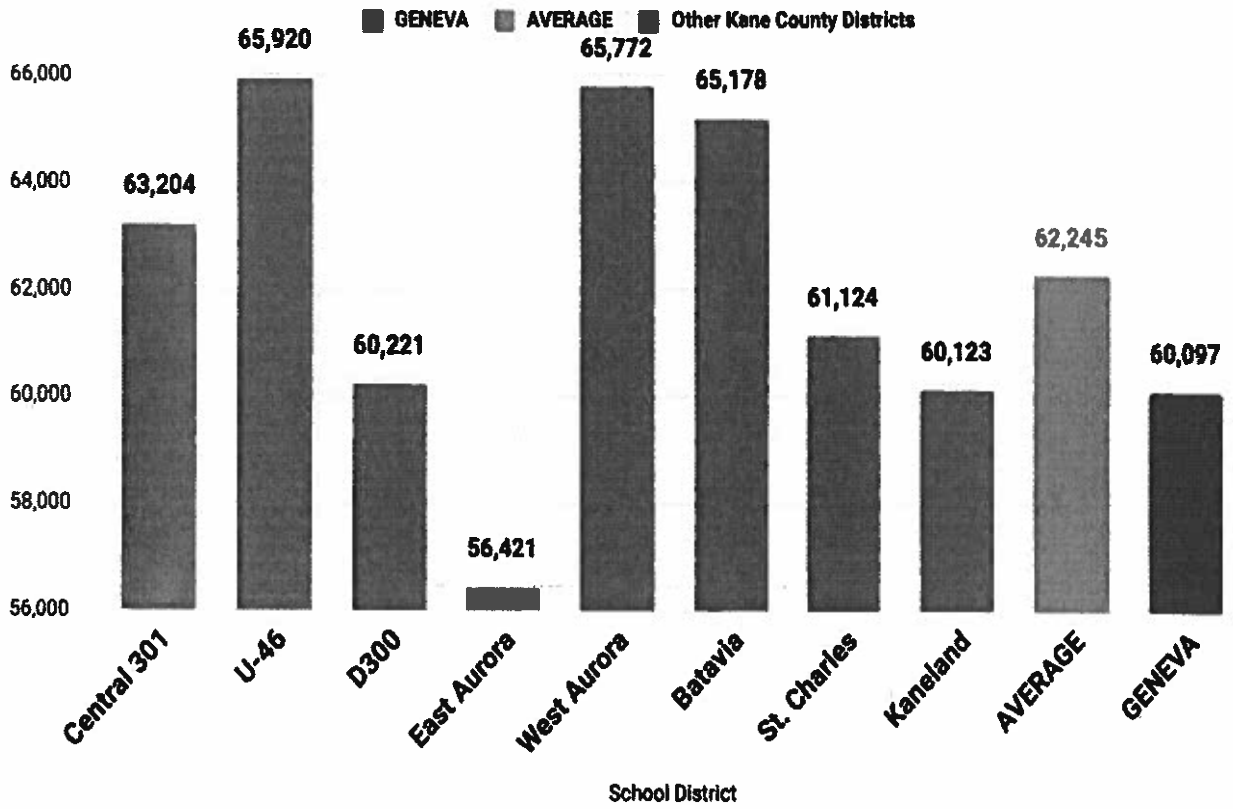
and the district had to find alternatives to new property tax revenues to pay down the debt.

When confronted with the district's financial situation during the negotiation of the 2012-2015 Collective Bargaining Agreement, teachers agreed to several cost saving measures. These included freezing their pay for the first year of the agreement, eliminating board payment of any portion of the cost to teachers to advance their education and a two-year delay to be fully compensated for earning their Master's degree. The starting salary has not increased by more than 1 percent in six years.

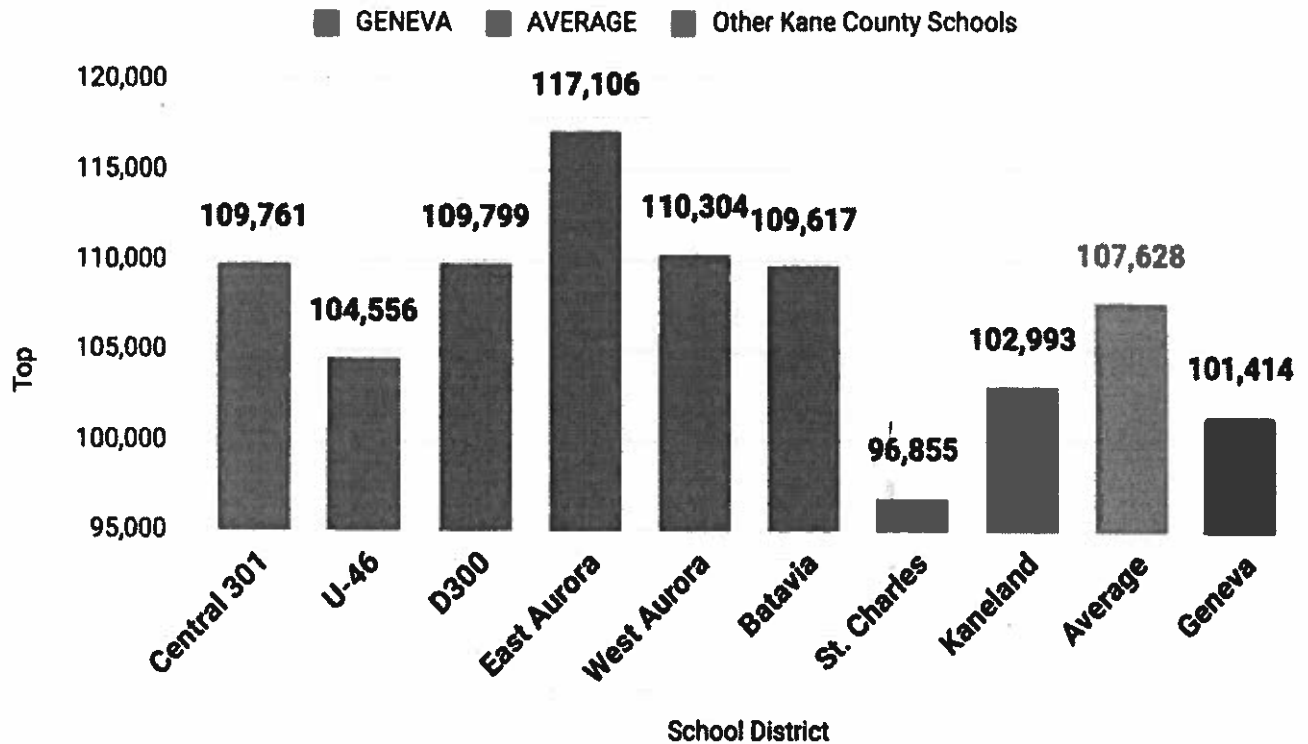
During the past seven years, with the help of these cost cutting measures, the district was able to transfer nearly \$30 million (\$4.2 million per year) from the education fund to reduce the required payment of the loan. However, during that same time frame, as illustrated below, Geneva teachers' salaries have fallen behind those of teachers in neighboring districts.



Masters + 10 years Experience Salary Kane County School Districts



Top Salary Before Longevity Kane County Schools



The Geneva Education Association is committed to reaching an agreement that will continue to advance the school board's tradition of excellence and be fiscally responsible to the community. A major element of that tradition of excellence is hiring and retaining qualified and highly effective educators over the long term. This will become more difficult if the district does not offer competitive salaries throughout the length of a teacher's career.

For 18 months prior to the February 2018 start of negotiations, a committee of GEA members, school board members and district staff met to study the various ways that educators are being compensated. The committee looked at different models and although it seemed, at times, that the committee might reach a consensus on a new model that valued experience and educational attainment, it did not. Per language in the collective bargaining agreement, a salary schedule model became a topic for negotiations.

Geneva District 304 has used a traditional salary schedule for nearly 50 years. In the Chicagoland area, the majority of school districts, including all those listed above, use a salary schedule model similar to Geneva. Geneva has used a salary schedule because it

allows the district to attract and retain quality teachers, plan for future budgets and ensure contracts can be sustainable and affordable. The Geneva Education Association believes, a salary schedule is still the fairest, most transparent way to compensate District 304 teachers. The GEA has shown that it is more than willing to respond to the financial needs of the district. In the past, Geneva teachers have eliminated benefits, frozen pay and delayed compensation for educational attainment to help the district manage debt service balloon payments. Now the debt is managed and it is time to address teacher compensation that has fallen behind like and local districts. In fact, the district is projecting a \$23 million reserve fund balance in its tentative 2018-19 budget.

Proposal

Here are the details of the most recent proposal GEA provided to the school board.

Salary

The GEA team listened when the board indicated that its most pressing interest is increasing the starting salary for new hires and that it would be more comfortable incorporating some flat percentage increases into the district's salary model.

Prior to the Year One salary increase

- The limit on lane advancement would be lifted.
- The nine lane structure remains the same.
- Lane advancement would be 5 percent per lane.
 - Rationale - Currently, when teachers spend \$20,000 and two years of personal time to earn a Master's degree, they do not receive full compensation for that degree until two years after they have completed the program. However, teachers with Master's degrees that are hired into the district are compensated for their degree immediately. No other surrounding school districts restrict lane advancement in this manner.
 - The nine lane structure has been used in Geneva for more than 20 years.

Year One – In order to become in line with the average of 2017-18 Kane County Salaries

- Flat 6.0 percent - No step.
- New hires would make 99 percent of step 1 salaries (temporary new row).

- Teachers who because of years of experience and education move off the salary schedule into longevity will receive an increase that equals the 10-year rolling average CPI unless scheduled salaries exceed that amount for an individual(s), then they will receive the scheduled salary.
 - Rationale:
 - A 6 percent increase will, in most instances, move Geneva teachers into the mid-range of teacher salaries in Kane County in Year 1.
 - Beginning 2017-18 Kane County Average Salary \$43,036
GEA proposed beginning salary: \$42,593
 - Middle 2017-18 Kane County Average Salary \$62,245
GEA proposed middle salary: \$63,927
 - End 2017-18 Kane County Average Salary \$107,616
GEA proposed end salary: \$107,499
 - In the last 10 years, the percent of the education fund that has been spent on teachers salaries and benefits has steadily dropped from 64 percent to 57 percent while the district has been paying its debt. This has caused Geneva salaries to fall below those of other districts. The district is projecting a \$23 million reserve fund balance in its tentative 2018-19 budget. The GEA is requesting the district use some of the fund balance to start making Geneva salaries competitive again.
 - The total new money required for this proposal in year one is approximately \$1.92 million – a 5 percent increase of the total amount the district currently spends on salaries.

Year Two – Reconfigure Salary Schedule

- Step is equal to 2.5 percent.
- Remove temporary new hire 99 percent of step 1 row.
- Add 1 percent to all cells. Everyone moves two steps.
- Longevity proposal is the same as year one.
 - Rationale:
 - The salary schedule reconfiguration is needed to meet the school board's interest in continuing to grow starting salaries while also valuing the experience of the teachers already employed by the district.
 - The 2.5 percent step is a concession to the board of education that allows an accelerated increase in the beginning salary.

- A 5 percent increase values experience and also continues to move Geneva salaries into competition with other Kane County Schools.
 - GEA proposed beginning salary: \$43,454
 - GEA proposed middle salary: \$66,184
 - GEA Proposed end salary: \$108,573
- The total new money required for year 2 is \$1.4 million – a 3.5 percent increase over the amount of money spent on salaries in year one.

Year Three – No Change to Reconfigured Salary Schedule

- 3.5 percent added to all cells. Everyone moves one step (2.5 percent for experience).
- Longevity proposal same as year one.
 - Rationale:
 - Continues to make Geneva salaries competitive with surrounding districts.
 - GEA proposed beginning salary: \$44,975
 - GEA proposed middle salary: \$68,501
 - GEA proposed end salary: \$112,376
 - The total new money required for year 3 is \$997,000 – a 2.4 percent increase over the amount of money spent on salaries in year two.

Insurance

The following schedule represents the percentage of premium costs which will be paid by the District on behalf of the teacher if insurance coverage is requested through the term of this Agreement.

Single Coverage:

100 percent Health/Medical (HMO or PPO 750 or PPO 1500 or partial premium for PPO 400)

100 percent Dental

Dependent (Family) Coverage:

Year	District	Employee
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18-19	65 percent	35 percent
19-20	70 percent	30 percent
20-21	75 percent	25 percent

Health/Medical (HMO or PPO 750 or PPO 1500 or partial premium for PPO 400)
50 percent Dental

- Rationale – Geneva teachers pay a higher portion of their health insurance than any surrounding district. An increase in this benefit is needed to keep the district’s total compensation package competitive with these districts.

Retirement

The GEA has proposed a post or pre-retirement option for this agreement.

Post-retirement contribution is an amount equal to a percentage of a retiring teacher’s final year’s teaching salary and will be paid to the teacher’s 403(b) retirement account, subject to applicable federal and state taxes, within sixty (60) days following retirement. For any teacher retiring in a school year after the expiration of this contract, the teacher’s final year salary shall be the 20-21 salary.

Years of Geneva Full-Time Equivalent Service at the Time of Retirement	Lump Sum Amount (An Amount Equal to a Percentage of Final Year Teaching Salary)
Fifteen (15), but less than twenty (20)	15 percent
Twenty (20), but less than twenty-five (25)	20 percent
Twenty-five (25) or more	25 percent

Pre-retirement Teacher’s option. For five years prior to the date of retirement, provided that a timely notice of intent to retire and resignation notice is submitted as required, the teacher may increase their compensation by a maximum of 6 percent in the fifth year prior to retirement. In no event shall a teacher’s total compensation increase (including but not limited to salary, stipends and other forms of compensation) used for TRS creditable earnings in any year after the irrevocable notice of intent to retire is submitted exceed 3 percent of the teacher’s salary during the last four years.

- Rationale: In 2017, the Illinois General Assembly passed a state law saying that teachers who are going to be retiring cannot earn more than three percent over the prior year’s salary or the school district will be required to make an

accelerated payment to the Teachers Retirement System. This change reflects compliance with that new law.

Miscellaneous

Summer Rate / Hourly Rate

- Hourly rate would be increase to \$45
 - Rationale – Rate has not changed in more than 25 years and the rate reflects inflation over this time period and the additional importance of summer work.

Stipend

- Stipend index would increase no less than 5 percent
 - Rationale: Clubs, activities, sports, academic teams, and other stipends lag behind comparable districts. In order for a total compensation package to be competitive all aspects must be competitive including salary, insurance, summer pay and stipend wages.

Conclusion:

The members of the Geneva Education Association are proud of the work they do every day educating the students of this community. Our desire is to continue to build the district's tradition of excellence by negotiating a collective bargaining agreement that increases the competitiveness of our compensation package, while respecting the district's fiscal responsibility. An investment in teachers is an investment in students equal to or more valuable than an investment in technology or other building improvements.

For more information, please visit our Web site, GEA4students.org.