

Park Ridge-Niles School District 64
Board of Education and Park Ridge Education Association (PREA)
Collective Bargaining Agreement Fact Sheet

Length: 4 years (2016-17 through 2019-20) - this is the second consecutive 4-year agreement

Timeline: Negotiations were initiated in December 2015 and sessions were completed in August 2016; a total of 16 sessions were held.

Negotiating Teams:

- **District 64** - Board President Anthony Borrelli and Vice-President Scott Zimmerman served on the negotiating team along with: Superintendent Laurie Heinz, Assistant Superintendent for Human Resources Joel Martin, Assistant Superintendent for Student Learning Lori Lopez, Chief School Business Official Luann Kolstad, Roosevelt School Principal Kevin Dwyer, and legal counsel. All Board members participated in caucus sessions for financial considerations, which allowed negotiations to move forward in a timely manner.
- **PREA** - Carol Zydek and Mark Stefanik were co-chairs. Other members included: President Erin Breen, Andy Duerkop, Tony Belmonte, Jerry Mulvihill, Mike Taglia, and IEA Uniserv representative Anna Lewis.

Approval: PREA members voted to ratify the contract on September 22, 2016. The District 64 Board of Education is scheduled to do so at the regular Board meeting on September 26, 2016.

Demographics: District 64 employs 394.11 full-time equivalent teachers; about 85% have master's degrees or above and approximately two-thirds have 11 or more years of experience. The District serves more than 4,400 students in grades K-8 at five elementary schools, two middle schools, and an early childhood center.

Key Accomplishments

The previous 2012-16 contract helped restore District 64 as a desirable District to attract and retain highly qualified teachers and staff due to our competitive salary schedule within the north suburban Cook and Lake county areas.

The new 2016-20 contract now re-shapes the agreement in additional ways:

- **Sustainable Growth** - The new contract places District 64 on a sustainable path, which balances the rigorous goals we have set to accelerate improvements in student learning with prudent stewardship of local taxpayer dollars that reflect current economic conditions locally and at the state level.
- **Base Salary Tied to CPI** - For the first time, base salary increase is tied to CPI-U, which is the same percentage used in the District's annual Tax Levy, with a floor of 1.5% and ceiling of 3.25%. The CPI-U is known for the first two years of the contract, so the use of

the 1.5% floor is being invoked for both years. The remaining two years will be set once the CPI-U is established by the U.S. Bureau of Labor Statistics during each respective year.

- **Structural Changes Within the Contract** - The salary schedule used in the prior contract was increased from 20 to 26 steps. This was accomplished by splitting (reducing) in half the steps with the highest percentage increase. This lowers the average step from 2.56% to 1.94%, meeting a priority goal of the Board to create a schedule below 2% to help moderate the annual growth of the District's salary expenditures.
- **Slower Rate of Salary Spending Creates Opportunity for Facility Repairs** - By slowing growth in salary expenditures over the next four years, the District now can consider committing urgently needed financial resources for critical repairs and deferred maintenance of aging facilities, as documented in the recent Health Life Safety survey and Master Facilities Plan.
- **Longer Agreement Provides Stable Foundation for Planning** - A second consecutive 4-year agreement offers a stable foundation for planning and continuing the District's focus on improving teaching and learning guided by the 2020 Vision Strategic Plan.
- **Referendum Promise Extended** - The 2007 referendum included a promise to not return to the community for referendum tax rate relief for 10 years. The District is working to extend that commitment for another four years through the life of this contract. The new contract combined with cost containment measures and spending cutbacks in all aspects of the budget will help achieve this goal.
- **Streamlined Agreement** - The agreement is streamlined to incorporate past side letters of understanding, jettison confusing language, and reflect current practices.
- **Collaborative Process** - Subcommittees were created on four focus areas: Early Release Wednesday/Quality Improvement Team schedule, Curriculum Specialists, Insurance, and Stipends. These subgroups engaged in research, helped focus discussions, and developed proposals for the full bargaining teams to discuss and approve.

Economic Components

- **Overall Cost** - The agreement will add an average \$950,000 per year to the District's annual expenditures for teacher salaries, for a total of \$3.8 million accumulated over the four years. All-in, the total salary increase over the 4 years of the agreement averages 2.71% per year, assuming a base increase of 1.5% for each of the 4 years plus the new, lower annual "step" increases.
- **Shared Contributions to Benefits** - Teachers will continue to share in the cost of their health and dental insurance coverage, including sharing in any cost increases.
- **Competitive Beginning Teacher Salary** - The beginning salary for a new teacher with a bachelor's degree entering District 64 will rise from \$48,582 to \$49,311 (1.5%), and remains competitive with our comparable districts allowing District 64 to attract highly qualified teachers.
- **Voluntary Early Retirement Plan Added** - An early retirement option was eliminated reflecting changes in state law. It was replaced by a voluntary early retirement plan,

which offers a retirement incentive payment for teachers who become eligible to retire with a “non-discounted annuity” under the Teachers’ Retirement System (TRS) by no later than June 2020. A maximum of \$33,000 would be payable for those who opt to retire during the first year of their eligibility, which is reduced to \$28,000 for those who wait and opt to retire during the second year of their eligibility. No further retirement incentives are offered for those who delay retirement beyond two years after becoming eligible.

- **Enhanced Stipend Schedule** - Significant time was spent reworking stipends for existing and additional responsibilities. To enhance safety and efficiency, the District encourages more teacher supervision of students during lunch and morning drop-off/afternoon pick-up by offering stipends for those willing to assume additional responsibility during their planning time or duty-free lunch. The District will track stipend expenditures during Year 1 of the contract to solidify the positions needed and overall cost for offerings. The Stipend Committee will reconvene in two years to review stipend expenditures and make any necessary adjustments at that time.

Special Features

- **Health Insurance** - If by September 1, 2018 the federal *Affordable Care Act* “Cadillac tax” effective date is not postponed beyond the current effective date of January 1, 2020, the agreement shall be reopened to negotiate health care benefits and contributions for each remaining year of the agreement.
- **Pensions** – If the State of Illinois enacts a law that shifts all or part of the funding obligation for the Teacher Retirement System (TRS) from the State to school districts, the Board and PREA agreed to meet to consider the cost impact to the Board.

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