

**OPEN ISSUES IN MOST RECENT OFFER OF
BOARD OF EDUCATION OF EVERGREEN PARK SCHOOL DISTRICT NO. 124**

**PRESENTED TO
EVERGREEN PARK FEDERATION OF TEACHERS**

AUGUST 10, 2022



Bargaining History

The Evergreen Park community includes outstanding schools which are supported by a very active local community working in partnership with excellent teachers, administrators, support staff, parents, students and residents. The community recognizes that the teachers and support staff of Evergreen Park District 124 are vital elements to the success of our students and schools. We appreciate all that the teachers and support staff do for our students and our District.

The Board of Education and the Union began negotiating a successor collective bargaining agreement on March 29th, 2022. Since that date, the teams have held 10 sessions and reached agreement on several key issues. Engaging in a collaborative process was a joint goal. From the outset, the Board team has been clear that the District is currently undergoing significant financial distress. The Board has shared with the Union that the District's current fund balance reserve is at 3 months while the State of Illinois recommends 6 months of funding balance reserves. Despite that fact, the Union's initial salary demand sought a 7.5% increase for teacher salaries for each respective year of the three years of the contract totaling a 22.5% increase. This would have significant financial impact on the District resulting in a projected deficit budget of \$2,424,000 by the conclusion of the 3-year contract.

Concerned that the parties were not fully understanding the different perspectives, a mediator was sought to assist in reaching common ground as recommended by the Board of Education. An informational meeting was held with the mediator on July 19, 2022 and one formal mediation session was held on July 29, 2022. At the end of that session, the Union provided the District with a proposal on the remaining open issues. Due to the mediator's schedule, another mediation session is not scheduled until August 22, 2022. Even though the mediator was unavailable, the Board remains committed to moving the discussion forward with the hope of reaching an agreement before the start of the 22-23 school year. To that end, the Board provided the Union a counter proposal on August 9, 2022.

Since only one formal mediation session has been held and there is a counter proposal on the table, the Board was disappointed that the Union elected to initiate the public posting process on the first day it was legally permitted to do so. There was no requirement that the Union do so at this time before giving mediation the chance to successfully come to a collaborative and collective agreement.

The Board's current proposal ensures that our teachers and support staff will continue to receive competitive salary and benefits and that the District will attract new employees and retain current employees. Specifically, the Board's proposal:

- provides a fair raise all three years, recognizing the impact of inflation on our employees
- extends the lanes in the salary schedule by 1 year in BA and BA +15
- enhances the District's robust teacher retirement incentive from 5% to 6% for up to three years
- provides internal transfer opportunities for staff to increase teacher morale
- maintains Board contributions to health insurance benefits up to 90%
- increases personal days from 2 to 3 days per year
- provides support staff 2 additional paid days of professional development
- increases the employee attendance incentive
- provides a premium for support staff working summer school
- Increases hourly rate for paraprofessionals responsible for toileting and/or feeding students
- extends benefits to part-time teachers participating in job-shares

The Board's offer is fair and reflects its commitment to its teachers and support staff. It also meets the primary stated Union bargaining goals of attracting and retaining great staff.

The Board's offer also reflects its responsibility to be prudent with taxpayer money and its obligation to pull the District out of the financial distress it is currently facing. The District is dealing with a significant budget deficit and it would be, quite simply, irresponsible to concede to the Union's large pay increases and post-retirement benefits, about which the Unions refuses to even discuss any changes. It would also be irresponsible to agree to 400 minutes a week of plan time for all Central Middle School teachers at the expense of instructional time from students.

Accepting the Union proposal would severely impact the District's financial stability leading inevitably to cuts to reduce costs or raise taxes to increase revenue. The Board does not believe that the community would accept either of those paths to regain financial stability. In sum, as the District continues to navigate its financial reality, the Board is in the difficult position of balancing its goals to fairly compensate its teachers and support staff, avoid layoffs and cuts to programs, while also being true to its responsibility to maintain the short term and long term fiscal health of the District. Additionally, the Board is unwilling to ask community members for additional tax dollars in an effort to offset teacher pay, as the cost of living for our community has spiked exponentially due to inflation. The Board's current offer fairly strikes that balance. A summary comparison of the open issues in the most recent Board and Union offers is as follows. The Board's rationale for its proposal on each open contract term begins on page 9.

Contract Term	BOE (8/9/22)	Union (7/29/22)
Sub Pay with No Loss of Plan Time	\$135/Full Day \$65/Half Day	\$325/Full Day \$165/Half Day
Professional Responsibilities	One After School Event	No After School Events
Middle School Instructional Minutes	200 minutes per week for personal plan 110 minutes per week for team plan	200 minutes per week for personal plan 200 minutes per week for team plan
Teacher Salary:		
School Year 2022-2023	4.25% with 2.7% to Base	5.9%
School Year 2023-2024	4.25% with 2.7% to Base	5.9%
School Year 2024-2025	3.25% with 3.25% to Base	5.9%
Total New Costs to District	\$1,010,068	\$2,556,212
Non-Certified Salary:		
School Year 2022-2023	\$0.65/Hour	\$1.75/Hour
School Year 2023-2024	\$0.70/Hour	\$1.75/Hour
School Year 2024-2025	\$0.75/Hour	\$1.75/Hour
Total New Cost's to District	\$239,818	\$614,900
Teacher Retirement	6% Increase in Base Salary in Final 3 Years of Employment AND 3 Years of Post-Retirement Insurance Paid at 50% by BOE OR Up to a \$3,600 Severance Payment	7 Years of Post-Retirement Insurance Paid at 75% by BOE OR Up to a \$21,000 Severance Payment
Non-Certified Retirement	\$350 for Each Full Year of Service to District 124 for Up to 20 Years. AND 2 Years of Post-Retirement Insurance Paid at 50% by BOE OR Up to a \$2,400 Severance Payment	\$350 for Each Full Year of Service to District 124 for Up to 25 Years. AND 5 Years of Post-Retirement Insurance Paid at 75% by BOE OR Up to a \$6,000 Severance Payment

Total Cost of Offers to Evergreen Park 124

Union Offer #4 (June 27th, 2022)		
FY23	FY24	FY25
\$ 10,486,219	\$ 11,028,805	\$ 11,673,228
\$ 1,489,315	\$ 1,591,799	\$ 1,694,282
\$ 590,209	\$ 619,719	\$ 650,705
\$ 703,057	\$ 738,210	\$ 775,120
\$ 447,554	\$ 469,932	\$ 493,428
\$ 13,716,354	\$ 14,448,465	\$ 15,286,763

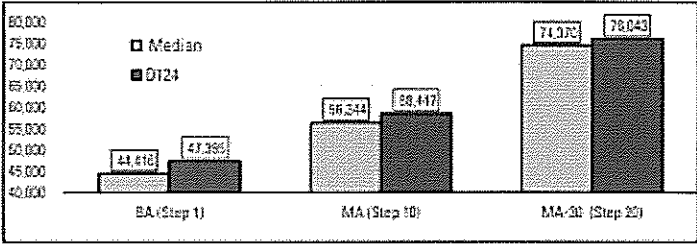
District Offer #4 (August 9th, 2022)		
FY23	FY24	FY25
\$ 10,317,070	\$ 10,560,514	\$ 10,764,524
\$ 1,424,897	\$ 1,465,819	\$ 1,509,598
\$ 590,209	\$ 619,719	\$ 650,705
\$ 703,057	\$ 738,210	\$ 775,120
\$ 447,554	\$ 469,932	\$ 493,428
\$ 13,482,787	\$ 13,854,194	\$ 14,193,375

Board's Offer

- **\$1,010,068** in additional compensation in Salary and TRS alone for teachers.
- The three year Board proposal submitted to the Union on 8/9/2022 would cost the District approximately **\$1,942,346** in new money over the life of the contract.

Union's Offer

- **\$2,556,212** in additional compensation in Salary and TRS alone for teachers.
- The three year Union proposal submitted to the Board on 7/29/2022 would cost the District approximately **\$3,863,570** in new money over the life of the contract.
- Accepting the Union proposal would severely impact the District's financial stability leading inevitably to cuts to reduce costs or raise taxes to increase revenue. The Board does not believe that the community would accept either of those paths to regain financial stability.

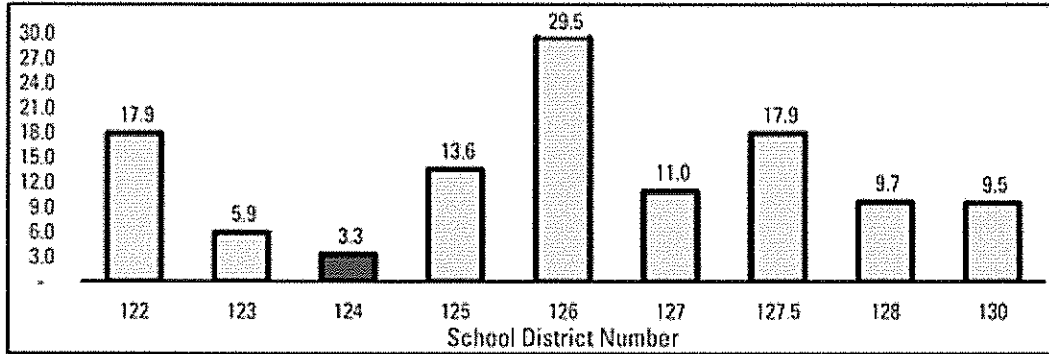
Evergreen Park Federation of Teachers Goals	Evergreen Park 124 School Board Responses																														
<p>Fair and Competitive Salary Raises for Teachers</p>	<p>D124 Salaries Are Currently Competitive In Area All Elementary Districts Served by Worth Township Trustees of Schools - FY21</p>  <p>D124 has the highest salary package (Salary + TRS) for teachers at BA-1 of all nine elementary districts and the third highest package for teachers at MA Step 10 and MA-30 Step 20</p>																														
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<p>Extend Lanes BA & BA+15 by 1 Step</p>	<p>Salary increase for teachers currently at BA & BA+15 as requested by the union and agreed to by the BOE.</p>																														
<p>Maintain Insurance Benefits for Current Teachers and Offer Competitive Benefits to New Teachers</p>	<p>Offered to continue existing costly insurance benefits for current teachers that is competitive with all districts in the area as a majority of school districts are in the same Benefit Cooperative as D124. Total new costs over three-year contract will cost the district roughly \$692,458</p>																														

Evergreen Park School District 124 School Board Concerns

- Fund Balance Reserves are Significantly Below Peer School Districts Fund Balance Reserves

Major Concern:

D124's Fund Balance Reserves Are Significantly Below Peer School Districts*
(Months of Expense Reserves)



*All Elementary School Districts Serviced by Worth Township

- The District is a Tier II Funded School District. Per the State Funding Formula, we have received very little new revenue growth from the State.
- The District's financial condition is below those of our neighboring elementary school districts.
- The District is the most fiscally challenged elementary school district in our area yet the District pays one of the most competitive salary and benefit packages of all those same elementary school districts.
- The District has offered a salary increase to ensure that our teachers are competitively paid in recognition of their services.
- The Union's current proposal seeks higher percentage increases of all known current settlements. Providing the increases sought by the Union threatens the long term fiscal stability of our District and puts in jeopardy, both the quality and level of services, staffing, and facilities we can provide to our current and future students.
- The District calculated comparative salaries based on information provided by the local schools districts in Worth Township that includes total compensation (base salary & BOE paid teacher retirement). This information is not reflected on the state report card data upon which the union has relayed comparable salaries.

ARTICLE IV

WORKING CONDITIONS

A. Certified Staff/Licensed Work Responsibilities

1. Work Day

The teacher work day (including parent teacher conferences) shall be a consecutive six (6) hours and fifty-five (55) minutes. The teacher work day shall also include one fifteen (15) minute period added to the beginning work hours one day per week for the purpose of Professional Learning Time.

It shall include a forty-five (45) minute duty-free lunch period for elementary teachers and a thirty (30) minute duty-free lunch period for all Central Middle School teachers. ~~and Central Middle School teachers who are not afforded a regularly-scheduled period for team collaboration time. Certified staff assigned to Central Middle School who are afforded a regularly-scheduled period for team collaboration time will have a thirty (30) minute duty free lunch period.~~

The first (5) minutes and last (10) minutes of the teacher work day shall be free from instructional responsibilities and shall not count towards the teachers preparation time or team/department time.

2. Per Diem

Any teacher who is assigned to substitute for a class period during his/her self-directed preparation time, agrees to an additional teaching assignment that requires the teacher to lose his/her self-directed preparation time, duty free lunch period, or works beyond his/her normal workday in order to teach a regularly-scheduled class, shall be compensated at his/her hourly rate, prorated based upon the class assignment.

Teachers who are assigned to substitute for a regularly scheduled class instead of performing their regularly assigned duties will be paid a \$135 stipend for a full day assignment and a \$65 stipend for a half day assignment.

Teachers who have given notice of intent to retire are not eligible to receive additional compensation for substitute teacher and instead will receive an additional half or full day of personal leave depending on the length of the substitute teaching.

BOE is committed to the recruitment of permanent substitutes to minimize any substitute work by our Teachers

Any teacher assigned a class in addition to or different from his/her own for one (1) class period or more shall be compensated at the prorated hourly rate for the entire duration of such an assignment, prorated based upon the assignment. Such rate should be calculated as follows:

Per diem rate = annual salary / 182 days

Hourly rate = per diem rate / hours per day

Prorated per diem rate = hourly rate x fraction of the hour(s) that class is in session per day

Example – Teacher MA + 10 with a 40-minute assignment

Per diem rate (pdr) = \$52,301 / 182 = \$287.37

Hourly rate = \$287.37 / 6.167 hours/day = \$46.60

Prorated pdr = \$46.60 x .667 = \$31.08

At each building, the Administration will notify eligible Members whenever a substitute is needed, and assign the work to the first Member who responds. Should any school experience difficulties in filling a substitute position, a rotation list may be established. The rotation list will be established and maintained by the building principal. In the event a bargaining unit member believes she/he did not receive an assignment, and an error is found in error, the exclusive remedy shall be that the bargaining unit member shall be offered the next available substitute assignment.

Rationale for Board of Education Offer Per Diem:

The Board of Education is committed to retaining teachers and providing high quality instruction to all students. Due to the current substitute teacher shortage that is prevalent throughout the state of Illinois, interventionists/specialists who are not assigned a class of students are occasionally assigned to cover for a classroom teacher who is absent. This assignment does not require teachers to take on any additional work outside of their contractual hours or give up their plan time. Despite that, the Board of Education is proposing to increase the rate to \$65.00 for a half day of internal substitution and \$135.00 for a full day of internal substitution for impacted teachers. This rate of pay is in addition to the salary that is guaranteed to each certified teacher.

The Board of Education is willing to commit to the hiring of permanent substitute teachers to reduce the number of substitute assignments and ensure students receive high quality interventions from their assigned intervention teacher. Notably, the Union can help address this issue by acknowledging that increased absenteeism from staff is directly related to the need for increased internal substitute needs.

3. Work Year

The work year shall consist of a maximum of 182 days, 183 for new certified staff (certified staff not employed in the previous year.) New certified staff will also be expected to attend a maximum of 7 hours after school new certified staff orientation activities. These days are the legally-required number of pupil attendance days, up to five (5) institute days and one (1) clerical day. On the clerical day, certified staff will be given a minimum of five (5) consecutive hours to be used as self-directed clerical time. The building principals / administrative staff shall endeavor to keep clerical days as free of meetings as possible. Student placement meetings and emergency I.E.P. meetings may occur during self-directed clerical time.

The first day of the school year will be the first institute day. On this day, certified staff will be given a minimum of three consecutive hours to be used as self-directed classroom preparation. The official school calendar will reflect an additional five (5) days designated as emergency days.

4. Professional Responsibility

The Union recognizes that the above amount of time does not cover all professional responsibilities, including staff and curriculum work and occasional attendance at school and PTA-sponsored functions. The Union further recognizes that it has a responsibility to encourage participation on behalf of each teacher in both committee work and evening programs for school related purposes.

The Union further recognizes that teachers must be present in school after the end of the school day to fulfill other professional responsibilities. In addition to the regular work day, teachers must also participate in one after school event each school year as part of their professional responsibilities.

Rationale for Board of Education Offer Professional Responsibilities:

The Board of Education values the work that is conducted within the community and is seeking commitment from the teachers as a part of their professional responsibilities to attend one after school event per year.

5. Committee Work

All teachers shall be encouraged to participate in committee work as part of their professional responsibilities. Recognition shall be given for those teachers who volunteer for and/or participate in such committee work.

6. Preparation Time Certified Employees

- a. All ~~Each~~ certified elementary staff members shall have an amount of self-directed preparation time, (preparation time is used for planning for instruction and meeting the needs of students) of not less than 230 minutes per five (5) day work schedule, exclusive of the time before and after the student attendance day. Time in excess of 200 minutes per five-day work week may be used for planning parent communication and contact, consultation time with other staff members, IEP meetings and staff development. Such time may not be used for recess, study hall, lunch duty, detention, internal substitution or other supervisory duties.

All certified Central Middle School staff members shall receive no less than two hundred (200) minutes per five (5) day work schedule of self directed preparation time, exclusive of the time before and after the student attendance day.

In addition to self directed preparation time, all certified Central Middle School staff members shall receive 110 minutes of team/department time to be used for planning with resource teachers, staff consultation time, collaboration time with other staff members, I.E.P. meetings, and instructional purposes, if necessary.

Board of Education Rational: Central Middle School Plan Time

The Board of Education has directly heard from the community of the need to have targeted instruction along with increased instructional time for our students. The Board of Education also recognizes that the current Union contract does not require equitable plan time to all Central Middle School teachers. To allow flexibility to provide maximum instructional time to students and to address the potential inequities in plan time for teachers, the Board of Education's proposal guarantees all middle school teachers 310 minutes of personal/team plan time in a 5 day work week, plus an additional 30 minute duty free lunch each day. The Union's proposal would significantly impact the amount of instructional time for our middle school students. Specifically, the Union proposes 400 minutes a week of personal/time plan time plus an additional 30 minute duty free lunch. Upon review of local elementary school districts in Worth Township, the maximum plan time for teachers is 265 in a 5-day work week. Additionally, Evergreen Park School District has one the shortest instructional day in the Worth Township area. As a result, the Board of Education believes the direct contact time with students is an essential need in order to progress Central Middle School forward. The Board's proposal is fair and equitable and provides our students with direct teacher access as well as plan time to collaborate with their colleagues of best practices in instruction.

ARTICLE IX
COMPENSATION AND BENEFITS

A. Salary

1. For the ~~201922-202023~~, ~~202023-202124~~ and ~~202124-202225~~ school years, bargaining unit members shall be paid in accordance with the compensation schedules attached to the end of this Agreement as Appendix A - Certified Salary Schedules, Appendix B - Classified Salary Schedules, Appendix C – Extra Duty Schedule, and Appendix D - SWIC Conference Stipends.

~~In the 2020-2021 school year, During the term of this contract, certified staff members shall receive the following increases: \$2,700.00 added to their 2019-2020 base pay. Where the \$2700.00 base payment results in less than a 6.51% increase, the staff member shall receive a one-time bonus to result in a combined total of 6.51%, payable at the end of the school year in a lump sum. This amount will be prorated for staff members hired during the 2020-2021 school year.~~

2022-2023: 4.25% total increase over 2021-2022 school year inclusive of a 2.7% increase to base salary

2023-2024:4.25% total increase over 2022-2023 school year inclusive of a 2.7% increase to base salary

2024-2025: 3.25% increase to base salary

Appendix A: Extend Lanes BA & BA+15 by 1 step

Appendix C: No change for 2022-2023 and 2023-2024 school years. 3.25% increase for 2024-2025 school year

Non-certified staff shall receive the following increases to their hourly rates of pay:

2022-2023: \$0.65

2023-2024: \$0.70

2024-2025: \$0.75

The Board of Education Offer: Salary

The Board of Education has provided the Union with detailed information regarding comparative salaries in Worth Township. These comparatives demonstrate that the District's staff are currently being paid at a fair and equitable rate. The Board of Education contributes to all certified employees' retirement pensions (to Teachers' Retirement System) at 4.5% which is a significant benefit to our teachers. This additional expenditure to the District assists in retaining teachers, however, also adds significant annual costs to the District.

The Board of Education is also responsible for the fiscal responsibility of the District. The Union's most recent proposal of a 5.9% increase for all three years projects the District to be deficit spending roughly \$1,789,812 dollars by the end of the contract. Meeting this request would not only be an irresponsible use of taxpayer dollars but is also detrimental to the future of the District. If the Board submits a deficit budget to the State of Illinois, a deficit reduction plan is required. This would include the elimination of student programming, the potential for increased class size and the reduction of staff.

The Board of Education has provided the Union a fair offer that addresses the current demands placed on families due to inflation. This is addressed in the Board's offer of a total 4.25% increase in years 1 and 2 of the contract and a total 3.25% increase in year 3. To minimize the long-term financial impact of this proposal, and provide the community and our students with stability, the proposal includes a 2.7% compounding increase to base salary. This proposal allows for a balanced budget that does not place any additional distress on our community or students.

The Board of Education would also like to acknowledge the fair and equitable offer provided to our non-certified staff members. When reviewing comparables in Worth Township for paraprofessionals, the Board of Education is offering a significantly higher rate - ranking at the second highest pay for local elementary districts. As a result, the Board of Education has provided an offer that will offset current cost of living expenses while continuing to submit a balanced budget.

O. Retirement Benefits

1. Certified Staff

a. Eligibility

The Board shall provide retirement benefits to certified staff with a minimum of twenty (20) years full time employment in District 124 and who are at least 55 years of age by December 31 of the retirement year. To be eligible, a certified staff member must submit a letter of intent to retire to the Superintendent by May 1 of the school year prior to which benefits will begin. However, in order to be eligible for any retirement benefits under this provision, the certified staff member must not have received an increase in creditable earnings in any year used by TRS to calculate his/her pension that will cause the Board to pay an employer contribution or penalty to TRS.

b. Salary Increase(s)

1. Under the retirement plan, an eligible certified staff member at least 55 years of age and with 35 years of creditable service under the TRS retirement benefits provisions, or a certified staff member who is age 60 or over, will receive a benefit equal to a 56% increase in the prior year's base salary for each of up to the last three (3) years prior to retirement. In the event a certified staff member is unable to give three four (34) years notice, the Board will provide a benefit equal to the above increases in the prior year's base salary for each of the last three (3) two (2) or one (1) year(s) prior to retirement that follow(s) the notice given by the teacher.

2. If an eligible certified staff member at least 55 years of age and with less than 35 years of creditable service under the TRS retirement benefits provisions chooses the TRS Discounted Retirement Annuity, s/he will receive a benefit equal to a 56% increase in the prior year's base salary for each of the last three (3) years prior to retirement. ~~In the event a certified staff member is unable to give three four (34) years notice, the Board will provide a benefit equal to the increase in the prior year's base salary for each of the last three (3) two (2) or one (1) year(s) prior to retirement that follow(s) the notice given by the teacher.~~

In the event a certified staff member is unable to give three four ~~(34)~~ years notice, the Board will provide a benefit equal to 56% increase in the prior year's base salary for each of the last three ~~(3)~~ two (2) or one (1) year(s) prior to retirement that follow(s) the notice given by the teacher. However, if the teacher's total increase in creditable earnings for any year used by TRS to calculate the teacher's pension would result in an employer contribution to TRS, the teacher will be ineligible for this benefit.

The compensation benefits shall be distributed evenly over the certified staff member's regular payroll.

Creditable earnings paid during the retirement notice period shall be inclusive of approved extra-duty compensation. If during the notice

period the Board discontinues an extra-duty position filled by a teacher who gave a three, two, or one-year retirement notice, no

deduction shall be made from the specified annual increases, with the understanding that the principal or designee will assign that teacher another comparable extra-duty position to perform. If, however, a teacher voluntarily discontinues such an assignment, or if the teacher declines the alternate assignment offered by the principal or designee, no further consideration will be made to find additional, commensurate compensation for the teacher.

By September 1 of each school year, teachers in the retirement track will receive a retiree salary spreadsheet indicating the dollar amount of additional extra-duty compensation available to them for that school year. Each quarter the District will send an updated sheet indicating the remaining balance. A member may also request an updated spreadsheet between quarters as needed. Any additional work the teacher performs beyond the extra duty balance will not be compensated by the District; however, if the teacher exceeds the maximum allowable TRS earnings cap, as calculated by the District Business Office, the District will be responsible for paying any penalties to the Teachers' Retirement System and the teacher will suffer no reduction in earned retirement benefits already accrued.

c. Accumulated Sick Leave Severance Bonus

In addition to the above compensation benefit, the Board shall pay to an eligible retiring certified staff member ~~\$25.00~~ \$30.00 per day for any unused accumulated sick days not applied to retirement, not to exceed two hundred fifty (250) days, which a certified staff member has accrued. This payment shall be made as a severance payment by August 15 following the last full school year of employment.

BOE Counters at \$30.00 per day

d. Death Benefit

In the event any certified staff member approved for retirement benefits dies before the end of the school term, the certified staff member's estate shall be paid the remaining salary for the current school term and the sick leave severance bonus due.

e. Rescission of Intent to Retire

The Board may rescind a certified staff member's notification of

intent to retire for one of the following reasons:

1. Death of the retiree's spouse, child, parent, or parent-in-law; or
2. Other reasons of compelling emergency as determined solely by the Board, and not reviewable, said reasons to be non precedential with respect to granting or denying requested changes in retirement election.

If the Board rescinds a certified staff member's notification of intent to retire for one of the above reasons, the certified staff member shall reimburse the Board any retirement benefits received. The certified staff member shall have a period of six (6) months in which to complete the reimbursement.

f. Post-retirement Services

The Board shall have the option to allow a retired certified staff member to perform services for the District as a consultant or as a self-employed contractor. A retiree may apply for substitute status or other non-permanent positions.

g. Indemnification/Hold Harmless

The Union shall hold the Board harmless from and will indemnify the Board from any and all suits, claims for taxes, and otherwise against the District as a result of the Board's participation in this retirement provision.

2. Non-Certified Staff

a. Eligibility

Non-certified staff members may elect to participate in the retirement incentive program provided they have a minimum of twenty (20) years of full-time service in District 124 and creditable service with the Illinois Municipal Retirement Fund and meet all other requirements as set forth by the Illinois Municipal Retirement Fund. To be eligible, the non-certified employee must also be at least fifty five (55) years of age by December 31 of the retirement year and must notify the Board not less than six (6) months prior to the proposed date of retirement. However, in order to be eligible for any retirement benefits under this provision, the non-certified staff member must not have received an increase in earnings in any year used by IMRF to calculate his/her pension that will cause the Board

to pay an employer contribution or penalty to IMRF

b. Severance Bonus

Each non-certified staff member participating in this program will receive a bonus of three hundred fifty dollars (\$350.00) for each full year of service to District 124 for up to twenty (20) years. The payment shall be made as a severance payment by August 15 following the last full school year of employment.

BOE rejects proposal to extend to 25 years.

c. Accumulated Sick Leave Severance Bonus

The Board shall pay to each eligible full-time non-certified employee an additional amount of ~~\$25.00~~\$30.00 per day for any unused accumulated sick days not to exceed two hundred fifty (250) days. In the event the employee chooses to claim service credit with the Illinois Municipal Retirement Fund for unused sick days, then those days are not eligible for bonus payment. This payment shall be made as a severance payment by August 15 following the last full school year of employment.

BOE counters at \$30.00 per day

d. Death Benefit

In the event any non-certified staff member approved for retirement benefits dies before the end of the school term, the non-certified staff member's estate shall be paid the remaining salary for the current school term and the sick leave severance bonus due.

e. Rescission of Intent to Retire

The Board may rescind a non-certified staff member's notification of intent to retire for one of the following reasons:

1. Death of the retiree's spouse, child, parent, or parent-in-law; or
2. Other reasons of compelling emergency as determined solely by the Board, and not reviewable, said reasons to be non precedential with respect to granting or denying requested changes in retirement election.

f. Indemnification/Hold Harmless

The Union shall hold the Board harmless from and will indemnify the Board from any and all suits, claims for taxes, and otherwise against

the District as a result of the Board's participation in this retirement provision.

3. Retirement Re-opener

In the event that the Pension Code is amended for the Illinois Teachers' Retirement System ("TRS") to increase the Board's contribution to TRS, the Board may request that negotiations commence to address the change. Negotiations shall commence within thirty (30) days of the Board's written notice to the Union. In the event that an agreement is not reached within ninety (90) days following the notice, the Board may notify the Union in writing that this Agreement expires on June 30 of the school year that notice is given.

In the event that the Pension Code is amended for the Illinois Teachers' Retirement System ("TRS") to increase teacher contributions to TRS, the Union may request that negotiations commence to address the change. Negotiations shall commence within thirty (30) days of the Union's written notice to the Board. In the event that an agreement is not reached within ninety (90) days following the notice, the Union may notify the Board in writing that this Agreement expires on June 30 of the school year that notice is given.

P. Retirement Health Benefits

1. Certified

For each certified staff member with twenty (20) years of consecutive service in the District who retires from employment by the District, in accordance with the Illinois Teachers' Retirement System's general retirement programs, is eligible for a retirement benefit under Section O.1. or 2 above and to participate in the TRS group health plan, the Board shall contribute towards the cost of individual health insurance coverage in the TRS group health plan for up to three (3) ~~seven (7)~~ years following the date of retirement or until the retiree becomes eligible for Medicare Benefits, whichever is earlier. If the certified staff member is not eligible for Medicare, such payment shall cease at age 65.

For any certified staff member who is eligible to participate in the TRS group health plan and provides written notice of retirement to the Superintendent prior to the May 1 deadline set forth in Section O.1. or 2 above preceding the effective date of intended retirement, the Board's contribution to the individual retiree's TRS group health insurance

premium for each month of the staff member's eligibility shall be set at 50% ~~75%~~ of the cost of the District's HMO Plan premium as of July 1 following his/her retirement. Thereafter, the amount that the retiree contributes towards the cost of his or her retiree health insurance plan premium will be capped annually at this amount for as long as the retiree qualifies for this benefit.

In the alternative, the employee may make an irrevocable election by the date of retirement to waive the Board's contribution towards TRS group health insurance and receive a lump sum severance payment calculated at the rate of \$100 ~~\$250~~ for each full month until the employee's Medicare eligibility or age 65, whichever comes first, not to exceed thirty-six (36) ~~eighty-four (84)~~ months. Such lump sum severance payment shall be paid during July following retirement. :

2. Non-Certified

The Board shall provide each non-certified staff member with twenty (20) years of consecutive service in the District who retires from employment by the District, in accordance with the Illinois Municipal Retirement System, with a contribution towards the cost of the premium for individual health insurance coverage for up to two (2) ~~five (5)~~ years following the date of retirement. For a non-certified staff member who provides written notice of retirement to the Superintendent prior to the deadline set forth in Section O.2. above preceding the effective date of intended retirement, the Board's contribution to the individual retiree's group health insurance premium for each month of the staff member's eligibility shall be a fixed amount set at 50% ~~75%~~ of the cost of the District's HMO Plan premium as of July January 1 following his/her retirement. If the noncertified staff member is not eligible for Medicare, such payment shall cease at age 65

In the alternative, the non-certified employee may make an irrevocable election by the date of retirement to waive the Board's contribution towards group health insurance and receive a lump sum severance payment calculated at the rate of \$100 ~~\$250~~ for each full month until the employee's Medicare eligibility or age 65, whichever comes first, not to exceed twenty-four (24) ~~sixty (60)~~ months. Such lump sum severance payment shall be paid during January following retirement.

The Board of Education Offer: Retirement

The Board of Education has proposed to increase the salary for teachers in their last one to three years of employment from 5% to 6% in exchange for a modification to the overly generous and extremely expensive post-retirement benefits currently offered by the District.

Specifically, the current contract language provides all teachers the option of 7 years of post-retirement insurance benefits. This benefit can cost the District up to \$47,000 over the term of 7 years for a single retired employee. Alternatively, the teacher can receive a lump sum severance payment of \$250 a month for up to 84 months - for a total cost of up to \$21,000 for a single retired employee.

Even though this post-retirement benefit is not provided by any nearby or neighboring school district, the Board is not proposing eliminating this benefit. Rather, the Board is proposing reducing the benefit to free up resources for current District employees and programs. As proposed, retiring teachers would have the option would continue to have 3 years of post-retirement benefits or receive a severance package of \$3,600.

The Union continues to refuse to discuss any changes to the contract related to the post-retirement benefits.

The current contract language for non-certified employees offers 5 years of post-retirement insurance benefits or a lump sum severance payment of \$15,000. Again, the Board is not proposing the elimination of this benefit for non-certified employees but rather a modified version of 2 years post-retirement insurance or a \$2,400 severance payment.