



**American Federation of State, County and
Municipal Employees, AFL-CIO**

212 S. First Street • Rockford, IL 61104
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Sent electronically and Via U.S. Mail

January 11, 2017

Illinois Educational Labor Relations Board
ATTN Victor Blackwell
160 N. LaSalle Street
Chicago, IL 60601
ELRB.Mail@illinois.gov

RE: Council 31 AFSCME, Local 692 Public Posting Documents

Dear Mr. Blackwell:

We write relative to the above referenced and attach the Council 31 AFSCME, Local 692 public posting documents, given the Rockford Public School District #205 initiation of the Public Posting Process. These documents are being submitted pursuant to the Illinois Educational Labor Relations Act.

Please advise us of any additional information needed. Also, we respectfully seek your acknowledgement of receipt of documents.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Edward A. Sadlowski', is written over a light-colored background.

Edward A. Sadlowski
Staff Representative
Council 31, AFSCME, AFL-CIO

C: Jim Pirages, Attorney, Hinshaw & Culbertson, LLP (by email and regular U.S. Mail)
Dr. Ehern Jarrett (by email and regular U.S. Mail)
Commissioner Randall Larson, FMCS (by email and regular U.S. Mail)
Donna Henderson, President, Local 692 AFSCME, Council 31, AFL-CIO (by email)
Joe Bella, Regional Director, Council 31, AFSCME, AFL-CIO (by email)

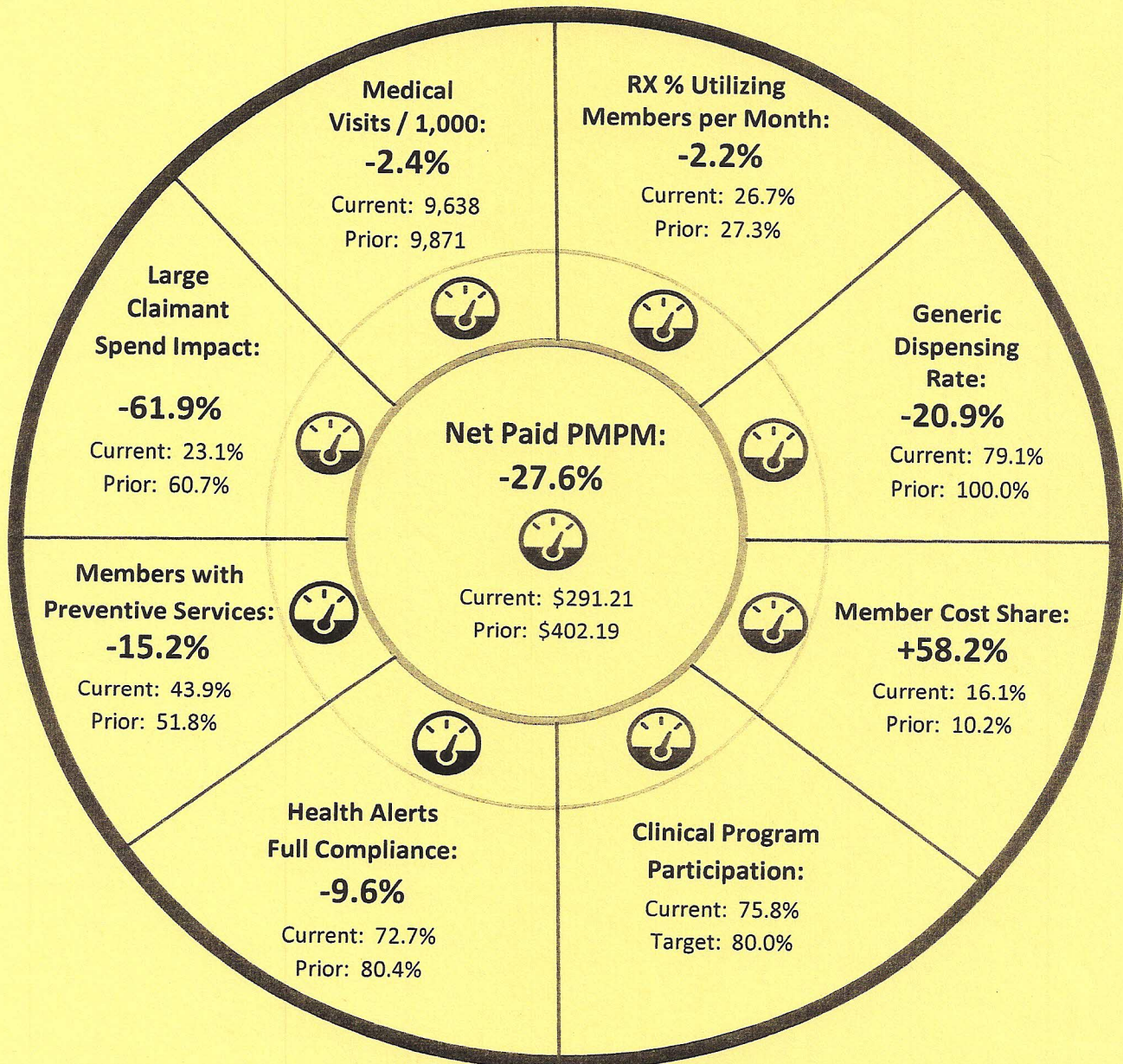
in the public service



Executive Summary - ROCKFORD PUBLIC SCHOOLS DISTRICT #205

Reporting Period: 09/01/2015 - 08/31/2016

On this page, you'll find the key indicators that drive your group's health plan performance. In the center of the wheel is Net Paid PMPM variance from prior to current reporting period, a good indicator of how members are using their healthcare benefits and engaging in wellness. Wheel spokes contain the eight metrics deemed to have the most influence on Net Paid PMPM. Subsequent pages dive deeper into each of these metrics impacting spend.



Education and Communication for the areas with challenges above can have an enormous impact on the health of your members and the bottom line of the Plan. To help your members become more informed about their health, promote the **Blue Button**, available under MyHealth on MyHumana at Humana.com. With just a few clicks, members can access a secure copy of their personal health report. Members may choose to access health data for the most current 365 days. Data sections included are: Current Conditions, Prescription History, Lab History, and Patient Admission/ER History.

FY 17 BUDGET – FORECASTED FUND BALANCE

Fund Name	Fund	6/30/11 Reserves	6/30/12 Reserves	6/30/13 Reserves	6/30/14 Reserves	6/30/2015 Reserves	Forecast 6/30/2016	FORECAST 6/30/2017
Education/Special Ed/ Food/Grant Funds	10/17/18/19	\$89,303,510	\$104,512,376	\$94,820,627	\$60,318,447	\$61,124,212	\$56,304,317	\$46,121,159
O & M Fund	20	(\$7,589,171)	(\$8,763,275)	(\$8,330,022)	(\$9,672,691)	(\$10,549,575)	(\$1,717,818)	(\$3,161,886)
Transportation Fund	40	\$4,057,753	\$1,531,714	\$9,361,820	\$12,957,523	\$16,924,659	\$15,500,989	\$27,242,998
Retirement Fund	50/51	\$0	\$0	\$0	\$0	\$2,485,540	\$2,541,446	\$2,902,470
Working Cash Fund	70	\$25,956,738	\$27,281,492	\$28,510,266	\$29,644,947	\$30,574,121	\$31,659,256	\$32,261,309
Grand Total Reserves		\$111,728,830	\$124,562,307	\$124,362,691	\$93,248,226	\$100,558,957	\$104,288,191	\$105,366,051
Expenditures	Fund	6/30/11 Exp.	6/30/12 Exp.	6/30/13 Exp.	6/30/14 Exp.	6/30/15 Exp.	Forecast 6/30/16 Exp.	FORECAST 6/30/17 Exp.
Education/Special Ed/ Food/Grant Funds	10/17/18/19	\$306,769,207	\$287,861,560	\$318,979,913	\$286,404,458	\$284,003,749	\$293,723,832	\$301,156,375
O & M Fund	20	\$19,948,807	\$25,379,891	\$25,562,817	\$26,105,030	\$26,216,257	\$25,760,664	\$26,377,631
Transportation Fund	40	\$20,953,078	\$20,011,528	\$18,411,838	\$20,578,880	\$22,279,594	\$21,914,598	\$19,701,651
Retirement Fund	50/51	\$0	\$0	\$0	\$0	\$7,831,172	\$7,333,458	\$7,295,339
Working Cash Fund	70	\$676,845	\$556,882	\$457,098	\$1,632,312	\$651,227	\$500,000	\$500,000
ACTUAL Applicable Expenditures		\$348,347,937	\$333,809,661	\$363,411,666	\$334,720,680	\$340,981,999	\$349,232,551	\$355,030,996
Ratio of Reserves to Exp.		32%	37%	34%	28%	29%	30%	30%
Board Policy Statement		25%	25%	25%	25%	25%	25%	25%
25% Policy Requirement		\$87,086,984	\$83,452,415	\$90,852,917	\$83,680,170	\$85,245,500	\$87,308,138	\$88,757,749
Excess/(Deficit) in Reserves versus Policy		\$24,641,846	\$41,109,892	\$33,509,775	\$9,568,056	\$15,313,457	\$16,980,053	\$16,608,302

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ROCKFORD PUBLIC SCHOOL BUS DRIVERS

We care deeply about Rockford's children- their future, their individual academic success, their health and safety, and their well-being. We are hard working men and women. Yet, we earn too little to meet many of our own basic human needs. Our pay needs to reflect the challenges and the importance of the work we do. We should be able to care for our families without the hardship of having to cobble together second, and third jobs, or to rely upon the State of IL for safety net services as a result of working in poverty. There are **482 Paraprofessionals** currently employed with the RPS#205. Rockford Public Schools **Paraprofessionals earn on average \$14, 280 annually**. The Starting rate for a new hire is currently **\$10.63 per hour**.

INSURANCE AND OTHER BENEFITS

At one time, in the not so distant past, RPS#205 employees were provided health insurance benefits "AT NO COST" to the employee. Just three short years ago (2013-2014), our Union began working "collaboratively" with then newly hired Superintendent Ehren Jarrett's administration, agreeing to the same insurance premiums and coverage plans provided to the district's other bargaining units. Prior to that time, the PRS #205 acknowledged that Local 692 AFSCME represented employees earn significantly less annually than the other RPS #205 employee groups participating in our Insurance PLAN.

As of June 30, 2013, all AFSCME represented employees working for the RPS#205 were covered on the same Insurance Plan-the PPO-500. The PLAN was reasonably affordable, and accessible to the hard working families represented by our Union. During the last round of negotiations, our Union was the first across the line, bringing the WELLNESS PLAN to District employees as an insurance coverage option.

POSITIVE IMPACT ON THE PLAN: The most recent Insurance data highlights the significantly positive impact brought about by negotiated changes to the PLAN. As a result of the "collaborative efforts", participants are more educated, and more engaged in their healthcare choices and lifestyles. In fact, according to published data, our group health PLAN's performance, or NET Paid Per Member Per Month (PMPM), variance (decline) from the prior to current period is "-27.6%" (HUMANA PLAN "COMPASS" dated 12/06/16 attached). According to HUMANA, "This is a good indicator of how members are using their healthcare benefits and engaging in wellness".

NONE OF THE SAVINGS PASSED ON: The draconian proposal now being advanced by the Employer calls for even greater cost shifting of employee income towards the Insurance PLAN. For example, the Administration's proposal increases the employee + family cost for the

PPO500, \$500.72 per month, or 1145% increased cost to the employee over the last three years (\$43.75mo. to \$544.47mo.) In addition, the Administration is manipulating the WELLNESS Program, attempting to steer employees to the PPO1000 Wellness, paying even higher deductibles and other out of pocket costs.

STRONG REVENUE GROWTH, BUDGET SURPLUSES

According to the District’s Comprehensive Annual Financial Reports (CAFRs), and the 2016-17 Annual Budget Report prepared by the District, the Rockford Public Schools, District 205 is in good financial condition and is positioned to be able to afford reasonable and justifiable employee compensation increases.

The District has experienced strong revenue growth, and consistent budget surpluses in each of the last six years. Table 1 demonstrates that the District forecasts a 30% surplus forecast fund balance for FY-2017, totaling \$105,366,051.

Table 1. Grand Total Reserves

	FY 11 Reserves	FY 12 Reserves	FY 13 Reserves	FY 14 Reserves	FY15 Reserves	FY 16 Reserves	FY 17 Forecast
Grand Total Reserves	\$111,728,830	\$124,562,307	\$124, 362, 591	\$93,248,226	\$100,558,957	\$104,288,191	\$105,366,051
Ratio of Reserves to Expenditure	32%	37%	34%	28%	29%	30%	30%

General fund revenues have grown at an impressive rate over the last four years. Table 2 indicates that total revenue has grown a strong 13.13 percent, or \$47.7 million, in the three years since 2013.

Table 2. General Revenue Growth

	FY 2013	FY 2014	FY 2015	FY 2016	% Change 2013-2016
Total Revenue	\$315,775,008	\$316, 383,787	\$361,597, 068	\$363, 516, 329	13.13%

CREDIT RATING

The District maintains a high credit rating with a AA- rating from Standard & Poor’s. The rating agency cited the District’s diverse local economy, strong financial performance, large fund balance, and low debt burden.

FAIR PAY FOR RPS205 FAMILIES

Our Union’s priority is to ensure that RPS #205 becomes competitive in its ability to attract and retain the best and brightest educational support staff to work with Rockford’s Children.

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COSTING

Paraprofessionals

Wage Increases
\$4.225 million

FICA/IMRF
\$758,359

Total Cost
\$4.983 million

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Additionally, bargaining unit employees may be required to work up to three (3) days prior to the start of the school year. Paraprofessionals who are required to work during non-student attendance days and/or before or after their regularly scheduled work hours shall be compensated for their participation consistent with the terms and conditions of this Agreement.

Section 7.4 Institute Days/In-Service/Workshops

Union Rejects the Employer's Proposal dated August 31, 2016-Status Quo; current language.

Section 12.1 Personal Leave

Effective July 1, 2017, and thereafter, all employees will be allowed three (3) of their sick days to use as Personal Leave. ~~for the purpose of handling personal affairs which cannot be transacted on the weekend or after school hours.~~ Up to six personal days may be accumulated for Personal Leave. Except in the case of emergency, personal leave shall be granted upon request with two days prior notice to the building principal or the appropriate supervisor except on the day preceding or following a legal or special holiday and/or the first or last day of school. In the event of an emergency, requiring personal leave, before or after a special holiday and/or the first or last day of school, a written request stating the reason shall be submitted to the Superintendent or a designee for approval in their sole discretion. ~~Such personal leave shall not be used for casual or indiscriminate purposes. Casual or indiscriminate uses include but are not limited to taking vacations or earning an income from another source.~~

Section 13. 6 Sick Day Use During Winter and Spring Break

Employees who have accrued in excess of fifteen (15) ~~twenty (20)~~ sick days may use any such excess sick days during the winter break period and during the spring break period (i.e. Special Holidays). Employees who choose to apply their excess sick days to the winter and/or spring break must submit a written request to their supervisor in advance of the break period.

~~Employees with perfect attendance during the 2013/2014 school year (beginning October 1, 2013, and the 2014/2015 school year shall be eligible for a \$500.00 bonus which shall be prorated for part-time employees. Such bonus shall be paid at the end of each of the respective school years (i.e., SY 2013/2014 and SY 2014/2015). Bereavement leave, jury duty leave, personal leave and the use of sick leave to cover the winter and/or spring break period shall not be used to determine an eligibility to receive the perfect attendance bonus~~

ARTICLE XXIII - WAGES FOR PARAPROFESSIONALS

Section 1 – “Highly Qualified” Paraprofessionals

All Paraprofessionals are required to meet the “Highly Qualified” standards and are required to meet all licensure/certification requirements.

Effective July 1, ~~2016, 2013~~, the hourly rate of current employees shall be increased by 10% and the starting hourly base rate for new employees shall be ~~\$11.69~~ \$10.63.

Effective July 1, ~~2017, 2014~~, the hourly rate of current employees shall be increased by 8%, and the starting hourly base rate for new employees shall be \$12.62

Effective July 1, ~~2018, 2015~~, the hourly rate of current employees shall be increased by 8%, and the starting hourly base rate for new employees shall be \$13.63

~~Within 30 days following ratification of this 2012-2016 Agreement, each employee shall receive a one-time lump sum bonus equal to 2% of the total wages earned in any and all positions that are covered by this agreement during the 2012-2013 fiscal year.~~

Employees who do not elect to receive their pay via direct deposit shall have their pay checks mailed on the same day as those employees receiving direct deposit to a location as directed by the respective employee. Employee pay stubs will be accessible online. An employee who wishes to receive a paper copy of his/her pay stub must submit a written request to the Payroll Department.

Section 5- Longevity Union Reject- Status Quo

Section 7 - Errors in Pay

Any errors in the computation of the wages of members shall be corrected as soon as possible upon discovery of the error and an adjustment to correct the error shall be included in the next pay period. A failure to issue a regular paycheck (for regular hours worked) shall be promptly remedied by issuance from payroll of a special payroll check, provided the affected employee has timely submitted all necessary information on hours worked. No bargaining unit member shall be adversely affected as a result of the overpayment of wages which occurred during the term of the July 1, 2012 through June 30, 2016 Agreement. The Employer agrees that it shall not seek back wages from employees resulting from overpayment during the aforementioned period of time.

Section 11 [New] Joint Committee Study on Paraprofessional Compensation

The Parties to the Agreement hereby agree to establish a Joint Committee consisting of three (3) Employer appointees and (3) Union appointees; including the Council 31 Staff Representative, who will be responsible for the continued study of Paraprofessional compensation related to members of the Local 692 AFSCME bargaining unit. Bargaining unit data, including compensation (i.e. rates of pay), hire date (s), longevity, base pay rate(s), salary credit, and other relevant employment data of comparable employers shall be included in the study. The work of the Paraprofessional Compensation Committee shall focus on the codifying the compensation practices of the current “roster” of active bargaining unit employees, and formulating recommendations for a future compensation plan design. Decisions of the Committee will be by consensus. If there is opposition by any Committee member, then four (4) votes shall be necessary for a matter to be approved. The work of the Committee will commence upon full ratification of the Agreement. The Committee will meet regularly, and will be charged with producing a written Report, with findings and recommendations, not later than July 1, 2017.

The Committee’s Report shall be provided to the Employer and the Union with a copy timely provided, to the members of the Rockford Public School Board of Education. Union appointees shall serve on the Committee without loss of compensation or benefits. The findings and Report of the Committee shall be advisory only, and non-binding on either party to the Agreement

ARTICLE XXIV - INSURANCE AND OTHER BENEFITS

Section 1

Bargaining unit employees whose normal work schedule is twenty-five (25) hours or more per week are eligible for health insurance coverage and dental insurance coverage. Health/dental care coverage eligibility is determined by accumulating all hours worked by an employee in the service of the Board of Education. It is not necessary that all such hours be in positions covered by this Collective Bargaining Agreement. In addition, for those employees who are eligible for insurance coverage, the Employer shall provide \$20,000 life insurance at no cost to the employee.

Premiums will be deducted in equal installments from the first two paychecks of each month of the academic year (i.e., September through May). Monthly premiums shall be paid in equal installments such that employee premiums will be prorated across a 9 month period thereby providing coverage across a 12 month period.

PPO#3-500 and PPO 500 Wellness: ~~For the 2013-2014 academic year, Employees who enroll in the PPO#3-500 Wellness Plan will pay monthly premiums equal to twelve and one half percent (12.5%) of the total health insurance premium cost applicable to each coverage level~~

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(i.e., ~~employee, employee & child; employee & spouse; and family~~). For the 2014-2015 academic year and thereafter, Employees who enroll in the PPO#3 500 Wellness plan will pay monthly premiums equal to fifteen percent (15%) of the total health insurance premium cost applicable to each coverage level (i.e., employee, employee & child; employee & spouse; and family). Notwithstanding, the premium will be reduced as follows for Employees who meet the Wellness Plan Criteria:

PPO 500 Wellness:

9 Month Employees:	2013/14	7/1/14 – 6/30/16 7/1/16
Employee	\$53.33	\$58.66
Employee/children	\$106.66	\$117.33
Employee/Spouse	\$109.33	\$120.26
Family	\$166.66	\$183.33

PPO 500:

7/1/16

<u>Employee</u>	<u>\$129.40</u>
<u>Employee/Children</u>	<u>\$260.05</u>
<u>Employee/Spouse</u>	<u>\$275.51</u>
<u>Family</u>	<u>\$400.35</u>

PPO 1000#2 and HSA: Beginning in the 2013-2014 academic year, in addition to the PPO#500 Plan, the Employer will have two additional health insurance plans [i.e., a higher deductible PPO plan (PPO 1000) and a health savings account (HSA)]. Following ratification of the Agreement by the parties, the Plan shall include an additional PPO 1000 Wellness option. The PPO 1000, PPO 1000 Wellness, and HSA shall have the following fixed premiums paid over the course of 9 months:

<u>10/1/13 – 6/30/16</u>	<u>7/1/16</u>	<u>PPO 1000</u>	<u>HSA</u>	<u>PPO 1000 Wellness</u>
<u>Employee</u>	<u>\$ 33</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$14.85</u>
<u>Employee + Ch</u>	<u>\$ 80</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$36.00</u>
<u>Employee + Sp</u>	<u>\$ 83</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$37.35</u>
<u>Employee + family</u>	<u>\$ 136</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$61.20</u>

As for the HSA Plan, the District will contribute the following sums in the employee's HSA account in accordance with the Plan criteria:

	<u>HSA</u>	<u>HSA Wellness</u>
<u>Employee</u>	<u>\$ 400</u>	<u>\$ 650</u>
<u>Employee + Ch</u>	<u>\$ 600</u>	<u>\$ 1150</u>
<u>Employee + Sp</u>	<u>\$ 700</u>	<u>\$ 1200</u>

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Employee + family \$ 800 \$ 1500

Employees who do not elect Medical Insurance, shall pay the following monthly premiums for Dental Insurance in equal installments such that employee premiums will be prorated across a 9 month period thereby providing coverage across a 12 month period:

Dental Only 10/1/13 – 6/30/16 7/1/16 9 mth

<u>Employee</u>	<u>\$7.00</u>
<u>Employee + Ch</u>	<u>\$13.51</u>
<u>Employee + Sp</u>	<u>\$14.00</u>
<u>Employee + family</u>	<u>\$20.00</u>

For Employees who take insurance, half of the monthly premium payment for insurance will be deducted from the first two paychecks of each month. In the event of a third paycheck in a month, there will be no insurance premium deducted unless there is a refund or deduction to correct a specific situation.

Changes in premiums will be effective at the start of each academic year. Notwithstanding, for the ~~2013/2014~~ 2016/2017 academic year, changes in premiums, and/or Plan design will not take effect until such time as both parties have ratified this Agreement and after the close of open enrollment. Following ratification, the Employer shall schedule an open enrollment period to provide employees an opportunity to enroll in the Insurance Plan of their choice. There will be an annual Benefit Choice period for those employees, spouses, and retirees who are eligible for participation in the Insurance to individually select one of the benefit plans, or who wish to switch health benefit plans for future Plan years. ~~HSA or PPO 1000 plan. Eligible employees who do not enroll in the HSA or PPO 1000 plan will remain in the PPO 500 Wellness plan and pay the PPO 500 Wellness plan premiums during the 2013/2014 school year.~~ In order to remain on the ~~PPO 500 Wellness plan in the 2014/2015 academic year,~~ employees participating in the ~~HSA Wellness plan or the PPO 500 Wellness plan~~ will be required to undergo a Health Risk Assessment ~~and Biometric Screen~~ on or before March 31, ~~2014~~. Thereafter, employees participating in the ~~HSA Wellness plan or the PPO 500 Wellness plan~~ will be required to successfully complete the annual Wellness Plan requirements. ~~earn 100 points annually.~~ The District will provide each Employee enrolled in the ~~PPO 500 Insurance Plan~~ reasonable notice of pending changes to the employee's payroll deduction status.

The District has designed the Wellness Plan to cover wellness exam benefits at 100% if done by an in-network provider. The wellness exam benefits are not subject to a deductible, co-insurance or co-pay so long as the provider is able to code the visit as "wellness" and so long as exam is not diagnostic in whole or in part.

If the Employer grants more favorable health insurance deductibles, out of pocket maximums, coinsurance, Physician Office Visit Co-Pay, and Prescription Drug terms to other employee groups following the ratification of this Contract Addendum, then Employees shall be entitled to receive the more favorable health insurance deductibles, out of pocket maximums, coinsurance, Physician Office Visit Co-Pay, and Prescription Drug terms. The required extension of terms and

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conditions of employment during the course of bargaining an open contract is exempt from this provision.

Additional RPS Proposals for Changes to the PLAN:

1. **Pharmacy Steerage:** Union Rejects-Status Quo
2. **Emergency Room Co-Pay:** Union counter-\$100 per visit
3. **Tele-doc:** Institute this program at “No Cost to the Employee”.

Additional Union Proposals for Changes to the PLAN:

1. **Wellness: Plan requirements are as follows:**
 - a. Complete Health Risk Assessment;
 - b. Share and review Personal Health Evaluation Report with own personal physician;
 - c. Participate in Health Coaching, if contacted (at least initial contact and one follow up, if requested).