

January 11, 2017

**VIA EMAIL AND CERTIFIED MAIL/RETURN RECEIPT REQUESTED**

Mr. Victor E. Blackwell  
Executive Director  
Illinois Educational Labor Relations Board  
160 North LaSalle Street  
Suite N-400  
Chicago, Illinois 60601-3369

***Re: Revised notice of recent offers and cost summaries by the Board of Education, Rockford School District No. 205 and Local 692 of Council 31, AFSCME (Paraprofessional employees)***

Dear Mr. Blackwell:

I write in connection with the Board of Education's Rockford School District No. 205 ("School District") earlier correspondence, dated January 10, 2017 filing notice of recent offers, cost summaries, and other required information. This information was provided in keeping with the provisions of Section 12(a-5) of the Illinois Educational Labor Relations Act ("the Act") (115 ILCS 5/12(a-5)) and applicable regulations at 80 Illinois Administrative Code §1130.35(e).

The School District submits a revised notice of the Summary and Cost of the District's and Union's Proposals.

In the interests of ensuring all parties are reviewing the same versions of documents, the School District resubmits all enclosures which it previously sent on January 10, 2017, with the sole change as noted above to the Summary and Cost document. Accordingly, enclosed please find:

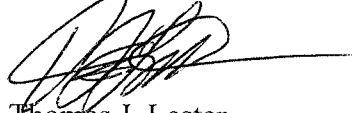
- a. the District's Last, Best and Final offer, dated November 15, 2016;
- b. the Union's November 10, 2016 Proposal;
- c. a revised Summary and Cost of District's and Union's Proposals; and
- d. Contract Facts – AFSCME Local 692 (Paraprofessionals), AFSCME Local 1275 (Bus Drivers), AFSCME Local 3210 (Nutrition Services)

January 11, 2017

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Very truly yours,

HINSHAW & CULBERTSON LLP

A handwritten signature in black ink, appearing to read 'TJL', with a long horizontal flourish extending to the right.

Thomas J. Lester

TJL:ejb

cc: Dr. Ehren Jarrett (by e-mail and regular U.S. Mail)  
Mr. Edward Sadlowski, AFSCME (by e-mail and regular U.S. Mail)  
Commissioner Randall Larson, FMCS (by e-mail and regular U.S. Mail)  
Ms. Donna Henderson, President, AFSCME Local 692 (by e-mail and regular U.S. Mail)  
Lori Hoadley, Esq., General Counsel (by e-mail)

**STATE OF ILLINOIS  
EDUCATIONAL LABOR RELATIONS BOARD**

**NOTICE OF FILING AND CERTIFICATE OF SERVICE**

The undersigned non-attorney hereby certifies that she caused a copy of the foregoing Revised Notice of recent offers and cost summaries between the Board of Education, Rockford School District No. District 205 and Local 692 of Council 31 of the American Federation of State, County and Municipal Employees to be served upon the parties listed below on January 11, 2017 in the following manner:

**BY E-Mail and Certified Mail/Return Receipt Requested**

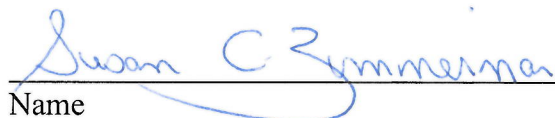
Victor Blackwell, Executive Director  
Illinois Educational Labor Relations Board  
160 North LaSalle Street, Suite N-400  
Chicago, Illinois 60601-3369  
Fax: 312-793-3369

**By E-Mail and Regular First Class Mail**

Edward Sadlowski  
Local 1275 of Council 31  
AFSCME, AFL-CIO  
212 South First Street  
Rockford, IL 61104

Randall Larson, Mediator  
Federal Mediation and Conciliation Service  
2126 N. Perryville Road  
Rockford, IL 61107

Ms. Donna Henderson  
President, AFSCME Local 692  
646 15<sup>th</sup> Street  
Rockford, IL 61102

  
\_\_\_\_\_  
Name

DISTRICT'S LAST, BEST AND FINAL OFFER

Contract Negotiations

RPS #205 and Paraprofessionals

District's response and counter-proposal of November 15, 2016 in response  
to the Union's Revised Counterproposal of October 17, 2016

*Given to U  
through  
RL 11/15/16  
@ 4:20 PM*

The following are the District's response and counter-proposal to the Revised Counterproposal presented by the AFSCME Local 692 Bargaining Committee on October 17, 2016. The District proposes the following as a "package" (and, as such, this proposal is to be accepted or rejected in its entirety).

The proposals below are divided between the "language" and "economic" issues and follow the numerical order set forth in the collective bargaining agreement:

**Language issues**

1. **Article V, Section 3 – Job Posting; Article V, Section 4, Selection; and Article V, Section 5, Placements:** The District rejects the Union's October 17, 2016 proposal and re-proposes the following:

Bargaining unit vacancies at a school shall be posted in the school for two (2) days prior to notice of the vacancy being distributed to the paraprofessional e-mail distribution list. Thereafter, vacancies shall also be posted on the District's website and shall remain posted on the District's website until the involved position is filled.

The posting for the position shall include the minimum qualifications. An employee may apply for the position by completing a job application form. Subject to the remaining provisions of this Section, nothing herein shall prevent a paraprofessional who is assigned to the school where the vacancy exists from transferring to the vacancy, in the discretion of the Principal and with the involved paraprofessional's consent, after the position has been posted on the District's website.

The job will be posted continuously until filled as noted above unless the District cancels the job. Where there are qualified applicants for a position from within the bargaining unit, the District must select a qualified applicant in preference to maintaining a long term substitute. All bargaining unit employees who apply for a posted job will be notified as to whether or not they were successful within a ten (10) day period following the filling of said position.

Transfers by bargaining unit employees will be limited to one (1) per school year, unless otherwise mutually agreed by the District and the Union. A "transfer" occurs when a paraprofessional transfers to a different paraprofessional category within the same school or transfers to any other paraprofessional position at a different school.

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As to Section 4, Selection, and Section 5, Placements, the District re-proposes its language proposal presented to the Union on August 31, 2016. (The remainder of Article V remains unchanged (as noted in the District's language proposal of August 31, 2016)).

2. **Article XXIII, Section 5 – Longevity**

As proposed by the District in its August 31, 2016 proposal.

**Economic issues**

1. **Article VII, Section 2 – Work Day/Work Schedule** – The District rejects the Union's October 17, 2016 proposal and counters with the following:

Work day shall be defined as hours between 7:00 a.m. and 6:00 p.m. Hours of work are established by the Departmental Supervisor or Building Principal to fit the requirements of each school or program.

Work days shall be defined as the equivalent of student attendance days (i.e., up to 176 days) and holidays as recognized in Article XV of this Agreement (i.e., up to 13 days). In addition, with the mutual agreement of the employees, employees may be requested to work up to 4 Institute Days, 2 Parent-Teacher Conference Days, and 2 School Improvement Planning Days.

Additionally, bargaining unit employees may be required to work up to 3 days prior to the start of the school year as well as before or after school during the course of the school year for training purposes. Provided, however, that where reasonably possible, the involved employee(s) will be provided with not less than two (2) weeks' advance notice of such training day(s) that are scheduled prior to the start of the school year and with not less than one (1) week's advance notice for training time scheduled before or after school during the course of the school year. Further, bargaining unit employees may be required to work additional days where special circumstances exist (i.e., where additional training is noted as being necessary based upon special training requirements identified in a student's IEP) or in the case of an emergency. A paraprofessional who refuses or who is otherwise unable and/or unavailable to receive training as specified in this paragraph may, in the Employer's discretion, be removed from his/her position and placed by the Employer in any available paraprofessional position for which the involved paraprofessional is determined by the Employer to be qualified or, if no such position is available, the paraprofessional may be terminated.

Paraprofessionals who agree to work on the non-student attendance days noted above that they are requested to work or who are required to work on non-student attendance days and/or before or after their regularly scheduled work hours under the circumstances specified above shall be compensated for their participation consistent with the terms and conditions of this Agreement.

2. **Article VII, Section 4 – Institute Days/In-service/Workshops (Union proposal)**

Withdrawn by Union; current language.

3. **Article VII, Section 4 – Institute Days/In-service/Workshops (District proposal)**

As proposed by District in its August 31, 2016 proposal.

4. **Article XII, Section 1 – Personal Leave**

The District rejects the Union's October 17, 2016 proposal; current language.

5. **Article XII, Section 2 – Bereavement Leave**

Withdrawn by Union; current language.

6. **Article XIII, Section 6 – Sick Day Use during Winter and Spring Break**

As previously noted, the District accepts the Union's September 21, 2016 proposal (fifteen (15) sick days in place of the current twenty (20) sick days).

7. **Article XV, Section 1 – Holidays**

Withdrawn by Union (other than TA previously reached)

8. **Article XXIII – Wages** – The District rejects the Union's October 17, 2016 proposal and counters with the following:

The following is a "package" proposal (that is to be accepted or rejected in its entirety).

Three (3) year Agreement with annual increases as follows:

First year -- 3.0%\*

Second year -- 2.5%

Third year -- 1.9%

A \$1.00 per hour premium will also be paid\* to paraprofessionals who are regularly assigned (or temporarily assigned for a period of in excess of five (5) consecutive school days) to certain premium assignments, as detailed below:

Self-contained Special Education Classrooms with students in the following programs:

- i. emotional disturbance;
- ii. autism; and/or
- iii. intellectual disabilities.

\*Wage adjustments to become effective on the date that the adjustments are approved by the District's Board.

The District rejects the Union's proposal for a new Article XXIII, Section 11, Joint Committee Study on Paraprofessional Compensation.

9. **Article XXIII, Section 7 – Errors in pay** – The District rejects the Union's October 17, 2016 proposal and re-proposes the following:

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 errors shall be included in the next pay period. A failure to issue a regular pay check (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 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 the overpayment during the aforementioned period of time. However, the affected employees' hourly wages will be corrected beginning the date that the overpayment(s) is/are identified by the Employer and thereafter.

10. **Article XXIV – Insurance**

The District rejects the Union's October 17, 2016 proposal and re-proposes its August 31, 2016 proposal (including adjustments to employee contributions, language changes, pharmacy steerage, emergency room co-pay, teledoc, etc.) and rejects the Union's additional proposals for changes to the Plan. However, as part of this proposal, the District proposes that the changes to the Plan, employee contributions, etc. not become effective until July 1, 2017 and, therefore, that the existing Plan and rates will remain in effect until June 30, 2017 (with the District's previously proposed changes (as noted in its August 31, 2016 proposal) becoming effective on July 1, 2017.

The District reserves the right to amend, revise, withdraw and/or supplement this proposal at any time prior to a final, complete and binding agreement between the parties.

Council 31 AFSCME, for and on behalf of Local 692,  
And the Rockford Public Schools #205  
Union Revised Counter Proposal  
November 15, 2016

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11/15/16

The following constitutes a package proposal, as such; it must be accepted or rejected in its entirety. The Union reserves the right to make additions, modifications, amendments, deletions, or corrections to these proposals. No agreement is final until approved by ratification by the membership. No portion of these proposals shall be deemed a waiver of any existing rights; all proposals regarding existing rights are merely attempts to codify existing conditions.

### **Section 5.3 – Job Posting**

[Replace the current language with the following]

Bargaining unit vacancies at a school shall be posted in the school for two (2) days prior to notice of the vacancy being distributed to the Paraprofessional e-mail distribution list. Thereafter, vacancies shall also be posted on the District's website and shall remain posted on the District's website until the involved position is filled.

The posting for the position shall include the minimum qualifications. An employee may apply for the position by completing a job application form. Subject to the remaining provisions of this Section, nothing herein shall prevent a Paraprofessional who is assigned to the school where the vacancy exists from transferring to the vacancy, in the discretion of the Principal and with the involved Paraprofessional's consent, after the position has been posted on the District's website.

The job will be posted continuously until filled as noted above unless the District cancels the job. Where there are qualified applicants for a position from within the bargaining unit, the District must select a qualified applicant in preference to maintaining a long term substitute. All bargaining unit employees who apply for a posted job will be notified as to whether or not they were successful within a ten (10) day period following the filling of said position.

Transfers by individual bargaining unit employees will be limited to three (3) times per school year, unless otherwise mutually agreed to by the District and the Union. A "transfer" occurs when a Paraprofessional transfers to a different Paraprofessional category within the same school, or to any other Paraprofessional position at a different school or work location.

**Section 5.4 Selection**                      Union Rejects-Status Quo

**Section 5.5 – Placements**              Union Rejects-Status Quo

### **Section 7.2 Work Day/Work Schedule**

Work day shall be defined as hours between 7:00 a.m. and 6:00 p.m. Hours of work are established by the Departmental Supervisor or Building Principal to fit the requirements of each school or program.

Work days shall be defined as the equivalent of student attendance days (i.e., up to 176 days), and Holidays as recognized in Article XV of this Agreement (i.e. up to 13 days). In addition, with the mutual agreement of the employee, employees may be requested to work up to four (4) Institute Days, two (2) Parent Teacher Conference Days, and two (2) School Improvement Planning days.



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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 pro-rated 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 15% and the starting hourly base rate for new employees shall be \$12.22 ~~\$10.63~~.

Effective July 1, ~~2017, 2014~~, the hourly rate of current employees shall be increased by 10%, and the starting hourly base rate for new employees shall be \$13.44.

Effective July 1, ~~2018, 2015~~, the hourly rate of current employees shall be increased by 10%, and the starting hourly base rate for new employees shall be \$14.79.

~~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.

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### 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 (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~~

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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	<del>7/1/14 - 6/30/16</del> 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

<u>PPO 500:</u>	<u>7/1/16</u>
<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:

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

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

	HSA	HSA Wellness
<u>Employee</u>	\$ 400	\$ 650
<u>Employee + Ch</u>	\$ 600	\$ 1150
<u>Employee + Sp</u>	\$ 700	\$ 1200
<u>Employee + family</u>	\$ 800	\$ 1500

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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:

<u>Dental Only <del>10/1/13 - 6/30/16</del> 7/1/16-9 mth</u>	
<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, coinsurance 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 conditions of employment during the course of bargaining an open contract is exempt from this provision.

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**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).



## RPS 205 FINAL OFFER OF NOVEMBER 15, 2016 TO AFSCME LOCAL 692 (PARAPROFESSIONALS) - PACKAGE PROPOSAL

The following is a summary of key proposal highlights by contract section and subject

Representatives of RPS 205 and AFSCME Local 692 have been meeting for many months, starting May 16, 2016. The District's "last, best and final offer" was presented to the Union on November 15, 2016, and an impasse was declared on January 3, 2017. The offer includes several tentative agreements that have been reached by the parties during 11 bargaining sessions over the past nine months. This has been a very long process and the District believes that this offer provides a competitive new contract for our paraprofessional employees and economic predictability for the Rockford Public Schools.

### **Article V - Job Posting, Selection and Placements**

#### *Proposal:*

The District has proposed to streamline the process by which paraprofessional job vacancies are posted and awarded. The process under the expired agreement was very time consuming and resulted in delays in the filling of paraprofessional job vacancies. The District's proposal would shorten that process and allow the District to more quickly fill job vacancies as they occur.

Additionally, the District's proposal would limit the number of times that an employee may transfer from one paraprofessional position to another during the course of a school year. At present, there are no limitations on the number of transfers allowed to a paraprofessional which, in turn, may result in disruptions for students, interfere with a school's educational goals, etc.

#### *Rationale:*

- It is important for the District to be able to fill vacancies in a timely and efficient basis.
- It is likewise important for the District to have stability in its job placements once transfers have occurred and, therefore, limits must be established on the number of transfers allowed to a paraprofessional during the course of a school year.

#### *Costs:*

Savings will be realized in the reduction of staff time expended in processing transfer requests. Efficiencies will also be realized by not having to familiarize staff with new assignments on a repeated basis throughout the course of a school year.

### **Article VII, Section 2 - Workday/Work Schedule and Article VII, Section 4 - Institute Days/In-Service/Workshops**

#### *Proposal:*

The District is proposing to confirm the additional days that employees may be allowed, requested and/or required to work (in addition to student attendance days) for institutes, parent/teacher conferences, school improvement planning days as well as for training purposes. On the other hand, in its proposal the Union is looking to limit the number of days that paraprofessional employees may be required to be in attendance for such purposes.

#### *Rationale:*

- There may be situations where the District sees that the attendance of paraprofessionals (including institute days, parent/teacher conference days and school improvement planning days) will be of benefit and where the paraprofessionals' attendance may be *requested* (not required).
- Training opportunities may be *required* to comply with a student's individualized education program (IEP) and for other purposes. In those situations, a paraprofessional's attendance should be *required* following the receipt of appropriate notice.

*Costs:*

The cost of this proposal depends upon the number of paraprofessionals who are requested to attend parent/teacher conference days and school improvement planning days and the number of paraprofessionals who may be required to attend training, etc.

**Article XXIII - Wages**

*Proposal:*

The District has proposed a three (3) year agreement with the following annual increases:

- 1<sup>st</sup> year – 3%
- 2<sup>nd</sup> year – 2.5%
- 3<sup>rd</sup> year – 1.9%

In addition, a \$1.00 per hour premium will be paid to paraprofessionals who are regularly assigned to self-contained special education classrooms with students in the following programs:

1. Emotional disturbance
2. Autism
3. Intellectual disability

Under the District's proposal, the wage adjustments would become effective on the date that the adjustments are approved by the District's Board.

*Rationale:*

- The proposed wage schedule provides increases to the rates of the District's paraprofessional employees commensurate with those provided in other school districts.
- In order to attract paraprofessionals to premium assignments, the payment of the additional \$1.00 per hour premium is necessary for both recruitment and retention purposes.
- The District's proposal demonstrates to the residents of Winnebago/Boone counties that the District, administration and paraprofessionals are responsible fiscal agents of the public monies.

*Costs:*

Wages would increase a cumulative amount of \$1,767,494 over the course of the three years. This includes the annual increase to base wages as well as the \$1.00 an hour premium for hard to fill positions.

**Article XXIII, Section 7 - Errors in Pay**

*Proposal:*

- The District is proposing that errors in the computation of an employee's wages be corrected as soon as possible; but, further, that no bargaining unit members are to be adversely affected as a result of the overpayment of wages which occurred during the term of the prior Agreement (July 1, 2012 through June 30, 2016). However, the District's proposal also notes that the affected employee's hourly wages will be corrected beginning the date that the overpayment is identified by the District.

*Rationale:*

- There may be instances where an employee has been overpaid. Those errors should be corrected as soon as possible.
- The District's proposal applies prospectively and, therefore, employees will not be adversely affected on a retroactive basis if it is discovered that employees have been previously overpaid.

*Costs:*

The cost of this proposal is dependent upon the number of overpayments and/or underpayments that are identified as a result of the assessment process.



**Article XXIV - Insurance**

*Proposal:*

- Effective July 1, 2017, the District has proposed changes to the present health insurance program, including the contributions paid by the employees for coverage by those programs. The District's proposal also includes pharmacy "steerage" language, emergency room co-pays and the use of "Tele-doc" services, all of which have been proposed in order to minimize expenses to the plan. Under the District's proposal, effective July 1, 2017, the health insurance plan would be amended as follows:

Employees who enroll in PPO-500 Wellness Plan will pay monthly premiums equal to seventeen and one-half percent (17.5%) of the total health insurance premium cost applicable to each coverage level (i.e., employee, employee & child, employee & spouse; and family). If the employee opts to not participate in the Wellness plan, they will pay monthly premiums equal to twenty percent (20%) of the cost of the plan.

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)]. The PPO 1000 and HSA shall have the following premiums:

Rates as of July 1, 2017					
Category	PPO-500 wellness	PPO-500 non-wellness	PPO-1000 wellness	PPO-1000 non-wellness	HSA
Employee	17.5%	20%	\$47.16	\$62.88	\$0
Employee + children	17.5%	20%	\$126.10	\$165.52	\$0
Employee + Spouse	17.5%	20%	\$134.09	\$175.99	\$0
Family	17.5%	20%	\$218.20	\$278.81	\$0

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

	HSA	HSA Wellness
Employee	\$ 400	\$ 650
Employee + Children	\$ 600	\$ 1150
Employee + Spouse	\$ 700	\$ 1200
Employee + family	\$ 800	\$ 1500

RPS 205 proposes the following changes to the plan:

1. Pharmacy Steerage: Employees who use CVS or Walgreens will pay an additional \$10 copay per prescription.
2. Emergency Room Co-Pay: \$200 per visit.
3. Tele-doc: Institute this program.

*Rationale:*

- Seeks a gradual implementation of changes to the health care plan's premiums;
- Addresses the fact that since FY13, the District's health care costs have increased from \$37.7 million to \$44.4 million;
- Addresses plan design to provide more incentives to employees to help contain costs;
- Encourages staff to help manage costs through better plan design and consumer choices and is similar to health care plans being offered by other similarly-sized employers both in the Rockford area and nationally;
- Gives the staff the choice of different plan designs so that they may choose the plan that best fits their needs;
- Follows the lead of other public and private employers, including school districts, which have recognized this problem and have systematically begun moving toward different plan designs to address the same issues;
- Helps to control costs, so that the District may be able to spend more money to directly benefit students.

*Costs:*

Inasmuch as the changes to the insurance would not occur until the 2<sup>nd</sup> year of the contract, the District would realize only 2 years of savings for a cumulative total of \$229,577 in healthcare savings, as follows:

The increased premiums would result in \$126,528 in savings to the District.

The pharmacy steerage, the improvements to the wellness program, and the increase to the emergency room co-pay would result in projected savings of \$38,831, \$41,700, and \$52,542 respectively.

The TeleDoc program will cost the District a cumulative amount of \$30,024.

Cost comparison of the District's and Union's proposals:

<b>Current Wage Schedule</b>	<b>FY 16</b>	<b>FY 17</b>	<b>FY 18</b>	<b>FY 19</b>	<b>TOTALS</b>
Wages	\$7,842,890	\$7,866,505	\$7,920,162	\$7,972,813	\$23,759,480
Effective Increase \$ vs FY16 Current	n/a	\$23,615	\$77,272	\$129,923	\$230,811
Effective Increase % vs. FY16 Current	n/a	0.3%	1.0%	1.7%	2.9%

<b>11-15-16 Administration Proposal</b>	<b>FY 16</b>	<b>FY 17</b>	<b>FY 18</b>	<b>FY 19</b>	<b>TOTALS</b>
Wages	n/a	\$8,036,973	\$8,522,364	\$8,736,826	\$25,296,163
Healthcare Savings/Costs	n/a	n/a	-\$114,789	-\$114,789	-\$229,578
<b>TOTAL</b>	<b>n/a</b>	<b>\$8,036,973</b>	<b>\$8,407,575</b>	<b>\$8,622,037</b>	<b>\$25,066,585</b>
Effective Increase \$ vs FY16 Current	n/a	\$194,083	\$564,685	\$779,148	\$1,537,916
Effective Increase % vs. FY16 Current	n/a	2.5%	7.2%	9.9%	19.6%

<b>10-17-16 Para Proposal</b>	<b>FY 16</b>	<b>FY 17</b>	<b>FY 18</b>	<b>FY 19</b>	<b>TOTALS</b>
Wages	n/a	\$9,046,728	\$10,018,550	\$11,094,303	\$30,159,582
Healthcare Savings/Costs	n/a	n/a	\$64,535	\$64,535	\$129,070
<b>TOTAL</b>	<b>n/a</b>	<b>\$9,046,728</b>	<b>\$10,083,085</b>	<b>\$11,158,838</b>	<b>\$30,288,652</b>
Effective Increase \$ vs FY16 Current	n/a	\$1,203,839	\$2,240,196	\$3,315,948	\$6,759,982
Effective Increase % vs. FY16 Current	n/a	15.3%	28.6%	42.3%	86.2%

**COST ASSUMPTIONS**

**ADMINISTRATION NOTES/ASSUMPTIONS:**

- Effective 1/27/17, all wages increase by 3%.
- Effective 7/1/17, all wages increase by 2.5%.
- Effective 7/1/18, all wages increase by 1.9%.
- Longevity structure remains unchanged.
- \$1.00 per hour premium for hard to fill positions.
- Total compensation days 184 in calculation.
- First year contract new pay scale to begin 1/27/17 - 5/26/17 - 79 days

**PARA NOTES/ASSUMPTIONS:**

- Effective 7/1/17, all wages increase by 15%.
- Effective 7/1/18, all wages increase by 10%.
- Effective 7/1/19, all wages increase by 10%.
- Longevity structure remains unchanged.
- \$0.00 per hour premium for hard to fill positions highlighted in yellow.
- Total compensation days 184 in calculation.

School Attendance Days	172
Holidays	12
<b>TOTAL POSSIBLE PAID WORK DAYS</b>	<b>184</b>



## Contract Facts for Nutrition Services, Bus Drivers and Paraprofessionals

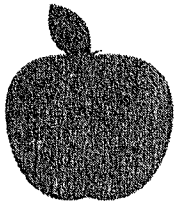
RPS 205 values all of its employees. The District's proposed contract:

the District's  
proposed contract  
provides a fair  
total compensation  
package

includes better  
benefits for the same  
positions than other  
school districts in  
our region

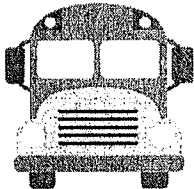
gives an additional  
\$1.2 million in wages  
and benefits over the  
next 3 years

### THIS REPORT CONTAINS:



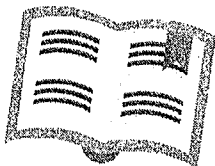
#### Key Issues for Nutrition Services

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Employee Healthcare Premiums & Surrounding Area Comparables .....	4
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#### Key Issues for Bus Drivers

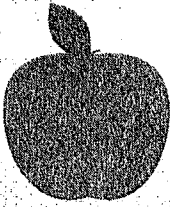
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#### Key Issues for Paraprofessionals

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**KEY ISSUES FOR NUTRITION SERVICES:**  
**Health Insurance Employee Premiums and Wage Structure**

District Proposal vs. Union Proposal

**Health Insurance**

**District Proposal:**

Same premiums as Rockford Education Association for all five insurance plans

Current and proposed employee premiums outlined on page 4

**Union Proposal**

**PPO 500 Wellness: New Premiums**

Employee.....\$58.66  
 Employee / children .....\$117.33  
 Employee / spouse.....\$120.26  
 Family .....\$183.33

**PPO 1000 Wellness: New Premiums**

Employee.....\$14.85  
 Employee / children .....\$36.00  
 Employee / spouse.....\$37.35  
 Family .....\$61.20

**PPO 500 Non-Wellness, PPO 1000 Non-Wellness, HSA Wellness and HSA Non-Wellness: no change to insurance premiums**

**Wage Structure**

**District Proposal**

Continue annual average 2.6% step increase, plus additional:

1st year = 3% increase  
 2nd year = 2.5% increase

**Union Proposal**

Continue annual average 2.6% step increase, plus additional:

1st year = 10% increase  
 2nd year = 6% increase  
 3rd year = 6% increase

**FACT:**



Beginning in 2017, RPS 205 will offer six different health insurance plan options:

- PPO 500
- PPO 500 Wellness
- PPO 1000
- PPO 1000 Wellness
- HSA
- HSA Wellness

The PPO 1000 Wellness plan is new.

**FACT:**

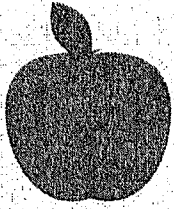


Under the District's proposed plan, health insurance premiums will be the same for all RPS 205 teachers, nutrition services, bus drivers and paraprofessionals.

**FACT:**



Under the District's proposed plan, the premium for employee-only coverage on the PPO 1000 plan will increase by \$14.16 a month (wellness) or \$29.88 a month (non-wellness).



**THE DISTRICT'S PROPOSED CONTRACT  
FOR NUTRITION SERVICES**  
The District's proposed contract provides  
a fair total compensation package.

**Current Wages and Compensation Structure for Nutrition Services**

Hourly Wages (wages include base and longevity rates)		Hourly Total Compensation* (wages plus FICA, Med, IMRF and INS)	
Starting	\$9.91	Starting	\$22.93
Mid	\$13.99	Mid	\$27.75
High	\$18.07	High	\$32.56

\*Total compensation package includes:  
 FICA = Federal Insurance Contributions Act (FICA) tax  
 Med = Medicare  
 IMRF = Illinois Municipal Retirement Fund contributions  
 INS = Employer paid contributions for employee life and health insurance

**FACT:**



Total compensation for nutrition services ranges from \$22.93 - \$32.56 per hour.

"Total Compensation" represents the total benefits an employee receives: their hourly wage plus FICA, medical insurance premiums paid by RPS 205, retirement contributions and life insurance contributions.

**FACT:**



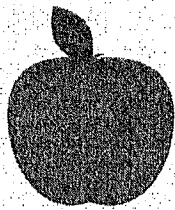
The District's proposed contract includes continuing the annual average 2.6% step increase plus additional:

- 1st year = 3% increase
- 2nd year = 2.5% increase

**FACT:**



56% of nutrition services do not qualify for health insurance since they work less than 6 hours per day.



## THE DISTRICT'S PROPOSED CONTRACT FOR NUTRITION SERVICES

includes better benefits for the same positions  
than other school districts in our region

### RPS 205 Employee Healthcare Premiums

PPO 500	Current Employee Monthly Premium	Proposed Employee Monthly Premium
Employee Only	\$129.40	\$172.53
Employee + Child(ren)	\$260.05	\$346.73
Employee + Spouse	\$275.51	\$367.33
Family	\$400.35	\$533.80

PPO 500 - Wellness	Current Employee Monthly Premium	Proposed Employee Monthly Premium
Only	\$58.66	\$150.96
Employee + Child(ren)	\$117.33	\$303.38
Employee + Spouse	\$120.26	\$321.41
Family	\$183.33	\$467.08

PPO 1000	Current Employee Monthly Premium	Proposed Employee Monthly Premium
Employee Only	\$33.00	\$62.88
Employee + Child(ren)	\$80.00	\$165.52
Employee + Spouse	\$83.00	\$175.99
Family	\$136.00	\$278.81

PPO 1000 - Wellness	Current Employee Monthly Premium	Proposed Employee Monthly Premium
Employee Only	n/a	\$47.16
Employee + Child(ren)	n/a	\$126.10
Employee + Spouse	n/a	\$134.09
Family	n/a	\$218.20

Health Savings Account	Current Employee Monthly Premium	Proposed Employee Monthly Premium
Employee Only	\$0 + \$400 HSA incentive	\$0 + \$400 HSA incentive
Employee + Child(ren)	\$0 + \$600 HSA incentive	\$0 + \$600 HSA incentive
Employee + Spouse	\$0 + \$700 HSA incentive	\$0 + \$700 HSA incentive
Family	\$0 + \$800 HSA incentive	\$0 + \$800 HSA incentive

Health Savings Account - Wellness	Current Employee Monthly Premium	Proposed Employee Monthly Premium
Employee Only	\$0 + \$ 650 HSA incentive	\$0 + \$ 650 HSA Incentive
Employee + Child(ren)	\$0 + \$1,150 HSA incentive	\$0 + \$1,150 HSA incentive
Employee + Spouse	\$0 + \$1,200 HSA incentive	\$0 + \$1,200 HSA incentive
Family	\$0 + \$1,500 HSA incentive	\$0 + \$1,500 HSA Incentive

### Surrounding Area Comparable Medical Premiums - Employee Premiums\*

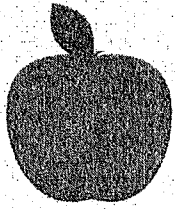
Nutrition Services	Belvidere	Freeport	Harlem	Elgin
Employee Only	Outsourced**	\$43.99	Outsourced**	Outsourced**
Employee + Child	Outsourced**	\$1,288.33	Outsourced**	Outsourced**
Employee + Children	Outsourced**	\$1,288.33	Outsourced**	Outsourced**
Employee + Spouse	Outsourced**	\$1,393.41	Outsourced**	Outsourced**
Family	Outsourced**	\$2,242.37	Outsourced**	Outsourced**

\*PPO Premiums are calculated using the percentage of medical benefits offered at those districts. Employee responsibility percentages are detailed on page 6.  
\*\* Services are outsourced; the District is not responsible for health care coverage.

### Surrounding Area Comparable Medical Premiums - Employee Responsibility

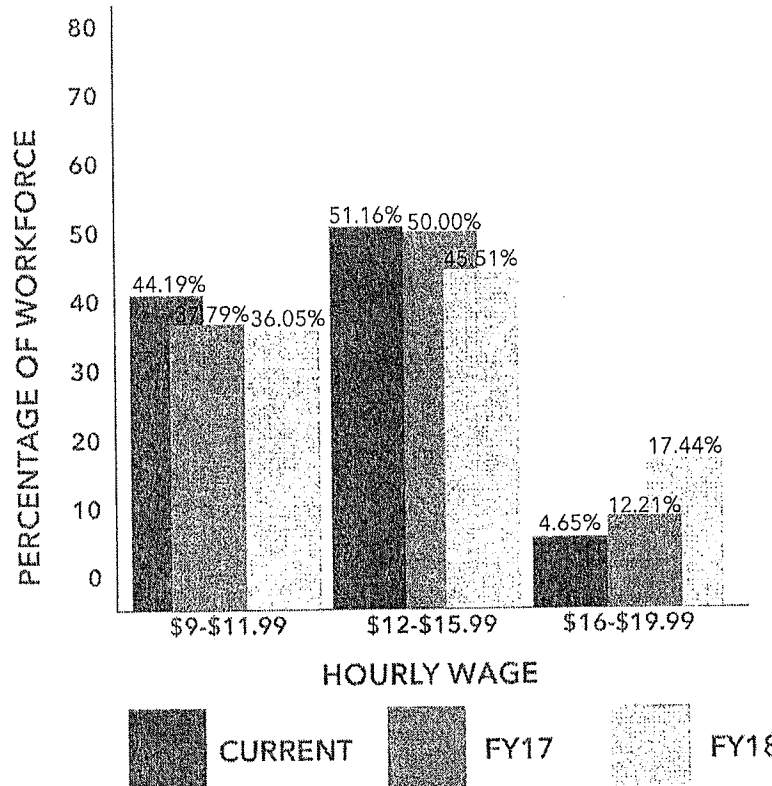
Nutrition Services	Belvidere	Freeport	Harlem	Elgin
Employee Only	Outsourced*	5% of plan cost	Outsourced*	Outsourced*
Employee + Child	Outsourced*	All but \$480	Outsourced*	Outsourced*
Employee + Children	Outsourced*	All but \$480	Outsourced*	Outsourced*
Employee + Spouse	Outsourced*	All but \$480	Outsourced*	Outsourced*
Family	Outsourced*	All but \$480	Outsourced*	Outsourced*

\* Services are outsourced; the District is not responsible for health care coverage.



**THE DISTRICT'S PROPOSED CONTRACT  
FOR NUTRITION SERVICES**  
gives an additional \$1.2 million in wages and  
benefits over the next 3 years

**Current and Proposed Wage Ranges for Nutrition Services**



**FACT:**



Under the District's proposed plan, 62.21% of nutrition services will be earning \$12 - \$19.99 per hour beginning in fiscal year 2017.

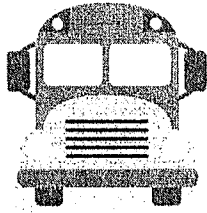
**FACT:**



A reserve level of 25% or greater is required to receive the ISBE's optimal rating for this heavily weighted Financial Profile factor.

The District is not permitted by law to use bond money to pay for nutrition services salaries or benefits.





## KEY ISSUES FOR BUS DRIVERS: Health Insurance Employee Premiums and Wage Structure

### District Proposal vs. Union Proposal

#### Health Insurance

##### District Proposal

Same premiums as Rockford Education Association for all five insurance plans

Current and proposed employee premiums outlined on page 4

##### Union Proposal

###### PPO 500 Wellness: New Premiums

Employee ..... \$58.66  
Employee / children ..... \$117.33  
Employee / spouse ..... \$120.26  
Family ..... \$183.33

###### PPO 1000 Wellness: New Premiums

Employee ..... \$14.85  
Employee / children ..... \$36.00  
Employee / spouse ..... \$37.35  
Family ..... \$61.20

PPO 500 Non-Wellness, PPO 1000 Non-Wellness, HSA Wellness and HSA Non-Wellness: no change to insurance premiums

#### Wage Structure

##### District Proposal

New starting wage: \$14  
New high-end wage: \$20.88  
Continue annual average 2.6% step  
Longevity up to 9%

##### Union Proposal

New starting wage: \$14.35  
New high-end wage: \$21.38  
Continue annual average 2.6% step  
Longevity up to 14%  
2nd year = 1.9% increase  
3rd year = 2.5% increase

#### FACT:



Beginning in 2017, RPS 205 will offer six different health insurance plan options:

- PPO 500
- PPO 500 Wellness
- PPO 1000
- PPO 1000 Wellness
- HSA
- HSA Wellness

The PPO 1000 Wellness plan is new.

#### FACT:

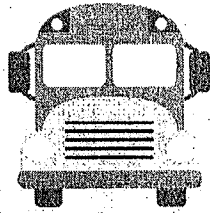


Under the District's proposed plan, health insurance premiums will be the same for all RPS 205 teachers, nutrition services, bus drivers and paraprofessionals.

#### FACT:



Under the District's proposed plan, the premium for employee-only coverage on the PPO 1000 plan will increase by \$14.16 a month (wellness) or \$29.88 a month (non-wellness).



## THE DISTRICT'S PROPOSED CONTRACT FOR BUS DRIVERS

The District's proposed contract provides  
a fair total compensation package

### Current Wages and Compensation Structure for Bus Drivers

Hourly Wages (wages include base and longevity rates)		Hourly Total Compensation* (wages plus FICA, Med, IMRF and INS)	
Starting	\$11.41	Starting	\$23.45
Mid	\$16.57	Mid	\$29.54
High	\$21.73	High	\$35.63

\*Total compensation package includes:

FICA = Federal Insurance Contributions Act (FICA) tax

Med = Medicare

IMRF = Illinois Municipal Retirement Fund contributions

INS = Employer paid contributions for employee life and health insurance

#### FACT:



Total compensation for bus drivers range from \$23.45 - \$35.63 per hour.

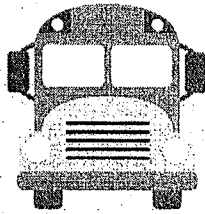
"Total Compensation" represents the total benefits an employee receives: their hourly wage plus FICA, medical insurance premiums paid by RPS 205, retirement contributions and life insurance contributions.

#### FACT:



The District's proposed contract includes:

- New starting wage: \$14
- New high-end wage: \$20.88
- Continue annual average 2.6% step
- Longevity up to 9%



## THE DISTRICT'S PROPOSED CONTRACT FOR BUS DRIVERS

includes better benefits for the same positions  
than other school districts in our region

### RPS 205 Employee Healthcare Premiums

<b>PPO 500</b> Employee Only Employee + Child(ren) Employee + Spouse Family	<b>Current Employee Monthly Premium</b> \$129.40 \$260.05 \$275.51 \$400.35	<b>Proposed Employee Monthly Premium</b> \$172.53 \$346.73 \$367.33 \$533.80
<b>PPO 500 - Wellness</b> Only Employee + Child(ren) Employee + Spouse Family	<b>Current Employee Monthly Premium</b> \$58.66 \$117.33 \$120.26 \$183.33	<b>Proposed Employee Monthly Premium</b> \$150.96 \$303.38 \$321.41 \$467.08
<b>PPO 1000</b> Employee Only Employee + Child(ren) Employee + Spouse Family	<b>Current Employee Monthly Premium</b> \$33.00 \$80.00 \$83.00 \$136.00	<b>Proposed Employee Monthly Premium</b> \$62.88 \$165.52 \$175.99 \$278.81
<b>PPO 1000 - Wellness</b> Employee Only Employee + Child(ren) Employee + Spouse Family	<b>Current Employee Monthly Premium</b> n/a n/a n/a n/a	<b>Proposed Employee Monthly Premium</b> \$47.16 \$126.10 \$134.09 \$218.20
<b>Health Savings Account</b> Employee Only Employee + Child(ren) Employee + Spouse Family	<b>Current Employee Monthly Premium</b> \$0 + \$400 HSA incentive \$0 + \$600 HSA incentive \$0 + \$700 HSA incentive \$0 + \$800 HSA incentive	<b>Proposed Employee Monthly Premium</b> \$0 + \$400 HSA incentive \$0 + \$600 HSA incentive \$0 + \$700 HSA incentive \$0 + \$800 HSA incentive
<b>Health Savings Account - Wellness</b> Employee Only Employee + Child(ren) Employee + Spouse Family	<b>Current Employee Monthly Premium</b> \$0 + \$ 650 HSA incentive \$0 + \$1,150 HSA incentive \$0 + \$1,200 HSA incentive \$0 + \$1,500 HSA incentive	<b>Proposed Employee Monthly Premium</b> \$0 + \$ 650 HSA incentive \$0 + \$1,150 HSA incentive \$0 + \$1,200 HSA incentive \$0 + \$1,500 HSA incentive

### Surrounding Area Comparable Medical Premiums - Employee Premiums\*

Bus Drivers	Belvidere	Freeport	Harlem	Elgin
Employee Only	\$439.95	\$43.99	\$0	\$87.99
Employee + Child	\$1,768.33	\$1,768.33	\$115.83	\$176.83
Employee + Children	\$1,768.33	\$1,768.33	\$206.46	\$176.83
Employee + Spouse	\$1,873.41	\$1,873.41	\$190.75	\$187.34
Family	\$2,722.37	\$2,722.37	\$297.24	\$272.24

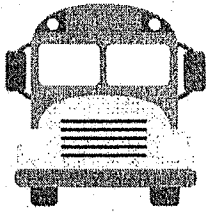
\*PPO Premiums are calculated using the percentage of medical benefits offered at those districts. Employee responsibility percentages are detailed on page 6.

\*\* Services are outsourced; the District is not responsible for health care coverage.

### Surrounding Area Comparable Medical Premiums - Employee Responsibility

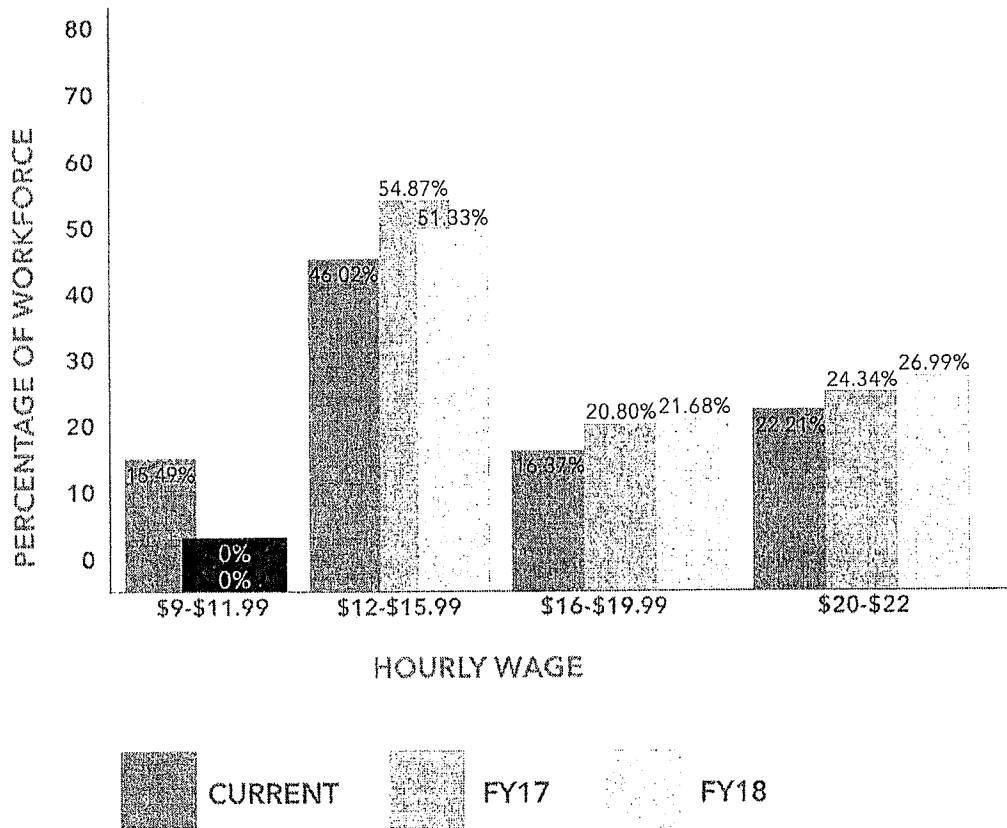
Bus Drivers	Belvidere	Freeport	Harlem	Elgin
Employee	Only 50% of plan cost	5% of plan cost	\$0	10% of plan cost
Employee + Child	100% of dependent	100% of dependent	\$115.83	10% of plan cost
Employee + Children	100% of dependent	100% of dependent	\$206.46	10% of plan cost
Employee + Spouse	100% of dependent	100% of dependent	\$190.75	10% of plan cost
Family	100% of dependent	100% of dependent	\$297.24	10% of plan cost

\* Services are outsourced; the District is not responsible for health care coverage.



**THE DISTRICT'S PROPOSED CONTRACT  
FOR BUS DRIVERS**  
gives an additional \$1.2 million in wages  
and benefits over the next 3 years

Current and Proposed Wage Ranges for Bus Drivers



**FACT:**



Under the District's proposed plan, 100% of bus drivers will be earning \$12 - \$22 per hour beginning in fiscal year 2017.

**FACT:**



A reserve level of 25% or greater is required to receive the ISBE's optimal rating for this heavily weighted Financial Profile factor.

The District is not permitted by law to use bond money to pay for bus drivers salaries or benefits.



## KEY ISSUES FOR PARAPROFESSIONALS: Health Insurance Employee Premiums and Wage Structure

### District Proposal vs. Union Proposal

#### Health Insurance

##### District Proposal

Same premiums as Rockford Education Association for all five insurance plans

Current and proposed employee premiums outlined on page 4

##### Union Proposal

###### PPO 500 Wellness: New Premiums

Employee.....	\$58.66
Employee / children.....	\$117.33
Employee / spouse.....	\$120.26
Family.....	\$183.33

###### PPO 1000 Wellness: New Premiums

Employee.....	\$14.85
Employee / children.....	\$36.00
Employee / spouse.....	\$37.35
Family.....	\$61.20

PPO 500 Non-Wellness, PPO 1000 Non-Wellness, HSA Wellness and HSA Non-Wellness: no change to insurance premiums

#### Wage Structure

##### District Proposal

1st year = 2.5% increase

2nd year = 1.9% increase

3rd year = 1.9% increase

\$1.00 per hour premium for identified self-contained classes

##### Union Proposal

1st year = 15% increase

2nd year = 10% increase

3rd year = 10% increase

#### FACT:



Beginning in 2017, RPS 205 will offer six different health insurance plan options:

- PPO 500
- PPO 500 Wellness
- PPO 1000
- PPO 1000 Wellness
- HSA
- HSA Wellness

The PPO 1000 Wellness plan is new.

#### FACT:



Under the District's proposed plan, health insurance premiums will be the same for all RPS 205 teachers, nutrition services, bus drivers and paraprofessionals.

#### FACT:



Under the District's proposed plan, the premium for employee-only coverage on the PPO 1000 plan will increase by \$14.16 a month (wellness) or \$29.88 a month (non-wellness).



**THE DISTRICT'S PROPOSED CONTRACT  
FOR PARAPROFESSIONALS**  
The District's proposed contract provides  
a fair total compensation package

**Current Wages and Compensation Structure for Paraprofessionals**

**Hourly Wages**  
(wages include base and longevity rates)

Starting	\$10.63
Mid	\$14.54
High	\$18.44

**Hourly Total Compensation\***  
(wages plus FICA, Med, IMRF and INS)

Starting	\$22.69
Mid	\$27.30
High	\$31.91

\*Total compensation package includes:

FICA = Federal Insurance Contributions Act (FICA) tax

Med = Medicare

IMRF = Illinois Municipal Retirement Fund contributions

INS = Employer paid contributions for employee life and health insurance

**FACT:**



Total compensation for paraprofessionals range from \$22.69 - \$31.91 per hour.

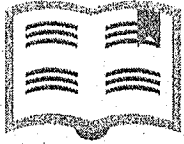
"Total Compensation" represents the total benefits a employee receives: their hourly wage plus FICA, medical insurance premiums paid by RPS 205, retirement contributions and life insurance contributions.

**FACT:**



The District's proposed contract includes:

- 1st year = 2.5% increase
- 2nd year = 1.9% increase
- 3rd year = 1.9% increase
- \$1.00 per hour premium for identified self-contained classes



**THE DISTRICT'S PROPOSED CONTRACT  
FOR PARAPROFESSIONALS**  
includes better benefits for the same positions  
than other school districts in our region

**RPS 205 Employee Healthcare Premiums**

	Current Employee Monthly Premium	Proposed Employee Monthly Premium
<b>PPO 500</b>		
Employee Only	\$129.40	\$172.53
Employee + Child(ren)	\$260.05	\$346.73
Employee + Spouse	\$275.51	\$367.33
Family	\$400.35	\$533.80

	Current Employee Monthly Premium	Proposed Employee Monthly Premium
<b>PPO 500 - Wellness</b>		
Only	\$58.66	\$150.96
Employee + Child(ren)	\$117.33	\$303.38
Employee + Spouse	\$120.26	\$321.41
Family	\$183.33	\$467.08

	Current Employee Monthly Premium	Proposed Employee Monthly Premium
<b>PPO 1000</b>		
Employee Only	\$33.00	\$62.88
Employee + Child(ren)	\$80.00	\$165.52
Employee + Spouse	\$83.00	\$175.99
Family	\$136.00	\$278.81

	Current Employee Monthly Premium	Proposed Employee Monthly Premium
<b>PPO 1000 - Wellness</b>		
Employee Only	n/a	\$47.16
Employee + Child(ren)	n/a	\$126.10
Employee + Spouse	n/a	\$134.09
Family	n/a	\$218.20

	Current Employee Monthly Premium	Proposed Employee Monthly Premium
<b>Health Savings Account</b>		
Employee Only	\$0 + \$400 HSA incentive	\$0 + \$400 HSA incentive
Employee + Child(ren)	\$0 + \$600 HSA incentive	\$0 + \$600 HSA incentive
Employee + Spouse	\$0 + \$700 HSA incentive	\$0 + \$700 HSA incentive
Family	\$0 + \$800 HSA incentive	\$0 + \$800 HSA incentive

	Current Employee Monthly Premium	Proposed Employee Monthly Premium
<b>Health Savings Account - Wellness</b>		
Employee Only	\$0 + \$ 650 HSA incentive	\$0 + \$ 650 HSA incentive
Employee + Child(ren)	\$0 + \$1,150 HSA incentive	\$0 + \$1,150 HSA incentive
Employee + Spouse	\$0 + \$1,200 HSA incentive	\$0 + \$1,200 HSA incentive
Family	\$0 + \$1,500 HSA incentive	\$0 + \$1,500 HSA incentive

**Surrounding Area Comparable of Medical Premiums - Employee Premiums\***

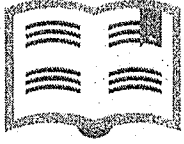
Paraprofessionals	Belvidere	Freeport	Harlem	Elgin
Employee Only	\$0	\$43.99	\$0	\$87.99
Employee + Child	\$1,768.33	\$1,288.33	\$115.83	\$176.83
Employee + Children	\$1,768.33	\$1,288.33	\$206.46	\$176.83
Employee + Spouse	\$1,873.41	\$1,393.41	\$190.75	\$187.34
Family	\$2,722.37	\$2,242.37	\$297.24	\$272.24

\*PPO Premiums are calculated using the percentage of medical benefits offered at those districts. Employee responsibility percentages are detailed on page 6.  
\*\* Services are outsourced; the District is not responsible for health care coverage.

**Surrounding Area Comparable of Medical Premiums - Employee Responsibility**

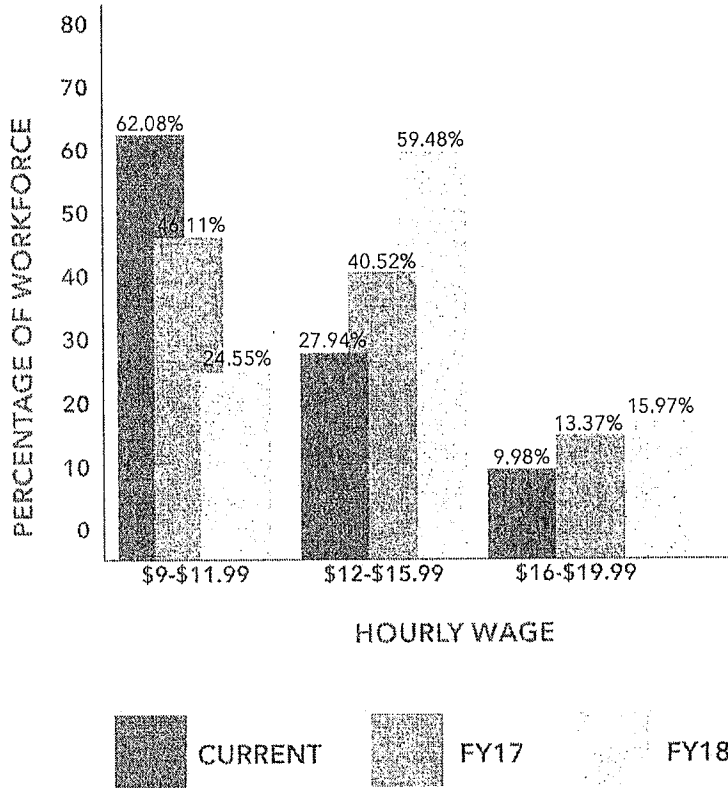
Paraprofessionals	Belvidere	Freeport	Harlem	Elgin
Employee Only	0% of plan cost	5% of plan cost	\$0	10% of plan cost
Employee + Child	100% of dependent	All but \$480	\$115.83	10% of plan cost
Employee + Children	100% of dependent	All but \$480	\$206.46	10% of plan cost
Employee + Spouse	100% of dependent	All but \$480	\$190.75	10% of plan cost
Family	100% of dependent	All but \$480	\$297.24	10% of plan cost

\* Services are outsourced; the District is not responsible for health care coverage.



**THE DISTRICT'S PROPOSED CONTRACT  
FOR PARAPROFESSIONALS**  
gives an additional \$1.2 million in wages  
and benefits over the next 3 years

Current and Proposed Wage Ranges for Paraprofessionals



**FACT:**



100% of paraprofessionals earn more than minimum wage. Under the District's proposed plan, 75.45% will be earning \$12 - \$22 per hour beginning in fiscal year 2018.

**FACT:**



A reserve level of 25% or greater is required to receive the ISBE's optimal rating for this heavily weighted Financial Profile factor.

The District is not permitted by law to use bond money to pay for paraprofessional salaries or benefits.



## FREQUENTLY ASKED QUESTIONS

**How many negotiation sessions have been held?** As of January 1, 2017: 14 session for Nutrition Services; 15 sessions for Bus Drivers and 11 sessions for Paraprofessionals.

**Are more negotiations sessions scheduled?** Yes. Sessions continue to be scheduled with all three groups.

**Have you made any progress?** Yes. Agreements have been reached on several points for each of the three unions. Sticking points in negotiations are salary and health care benefits.

**Are employees working without a contract? Do their pay and benefits continue?** Contracts expired on June 30, 2016 for three labor groups (paraprofessionals, nutrition service workers and bus drivers). Each employee group is still working under the same terms of their contracts, and their pay and benefits align with what was listed in the final year of each contract. Their pay and benefits will continue through negotiations.

**How many employees are in each of the collective bargaining unions?** The district has 532 paraprofessionals, 235 bus drivers and 178 nutrition service workers.

**How do these employees' health insurance premiums compare to the other RPS 205 employees?** The district's proposal would bring these three employee groups in line with other RPS 205 employees (Rockford Education Association and non-bargaining, non-certified staff) who are already paying 17.5% of monthly premiums if they participate in the district's PPO 500 wellness program. According to the district's proposal, employees would pay 20% of monthly premiums in the PPO 500 plan if they do not participate in the district's wellness program, which is also aligned with other RPS 205 employees. For those employees participating in the PPO 1000 plan, they are currently paying approximately 5% of the monthly premiums. According to the district's proposal, they would pay approximately 8% of the monthly premiums if they participate in the district's wellness program and approximately 10% if they do not participate in the wellness program.

**How does this compare to private-sector employees?** According to the 2016 survey of about 2,000 U.S. businesses by the Kaiser Family Foundation, families pay on average 30% of the premium for their health plans while employers pay 70% of the premium. In contrast, the employees in these RPS 205 bargaining groups currently pay 15% of the premium for non-wellness coverage. The district has proposed increasing that share to 20%. Even at that higher share, the district is asking the bargaining groups to pay only two-thirds of the percentage of the premium most employees across the country pay. To view this national survey in more detail, visit: <http://kff.org/health-costs/report/2016-employer-health-benefits-survey/>

**Is it true that most of these employees don't earn a living wage?** See chart on right for wages and total compensation for each employee group. Employees who work at least six hours each day are eligible for full-time benefits coverage (including FICA, Medicare, IMRF and INS). Employees also only work when school is in session.

### Current Wages and Total Compensation

Wages only (per hour):	Starting	Mid	High
Nutrition	\$9.91	\$13.99	\$18.07
Bus drivers	\$11.41	\$16.57	\$21.73
Paraprofessionals	\$10.63	\$14.54	\$18.44

**Has the district offered any wage increases?** Yes. The district has offered wage increases and wellness plan incentives.

Total Compensation* (per hour):	Starting	Mid	High
Nutrition	\$22.93	\$27.75	\$32.56
Bus Drivers	\$23.45	\$29.54	\$35.63
Paraprofessionals	\$22.69	\$27.30	\$31.91

\*Includes FICA, Med, IMRF, INS

**Why can't the district use its reserves?**

A reserve level of 25% or greater is required to receive the ISBE's optimal rating for this heavily weighted Financial Profile factor. It is also not wise to pay recurring expenses - like employee compensation - with one-time funds, such as reserves. District officials are not permitted under the law to use bond money allocated for capital improvements - such as construction and facilities upgrades - to pay for non-capital improvement employee salaries and benefits.