

**BOARD OF EDUCATION OF GENERAL GEORGE
PATTON SCHOOL DISTRICT 133 MOST RECENT
OFFER AND COST SUMMARY**

December 17, 2021



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Our Story

- General George Patton School District 133 is a public school district located in the Southeast Suburbs of Chicago serving students in Pre-K through 8th Grade. The jurisdictional boundaries of the District encompass a relatively small area and for the 2021 school year the District is serving 217 students. This is an over 27% decrease from the number of students who were served in the 2018 school year. The reduction is consistent with an overall reduction in the number of residents and families within the District.
- Over 80% of the District's revenues are obtained through State or federal funds. For Fiscal Year 2021, the District is identified as a Tier 4 school for purposes of Evidence Based Funding with the State finding that the District is funded above the adequacy level. This means that State generated revenue is going to remain flat and is likely to remain flat for the next several years. In addition, if there is any reduction to the overall funding formula for Evidence Based Funding by the State, as a Tier 4 school District, we would likely be one of the districts which has its state revenues reduced.
- The District collects about 68% of the property taxes that are due on an annual basis. Of the property tax revenues that are actually collected, approximately 15% of those are attributable to a singular industrial taxpayer. This taxpayer traditionally fights its property tax assessment in order to lower the amounts that it pays. If these challenges are filed in the future and are successful, the already limited local funds which are collected will be reduced without a realistic means to replace them.

Our Story (*Continued*)

- The District is also realizing approximately \$132,000 annually from an outside agency which is utilizing space within the District. This agency's lease expires on June 30, 2022. If this agency stops utilizing the space and a replacement user is not found, that would be a significant loss of revenue for the District.
- As recently as 2014, the District was in "Financial Warning" status with the State of Illinois and was running an annual deficit of approximately \$685,000 and its long term-borrowing was exhausted. The Board of Education and its administrative team took intentional and learned steps to correct the downward trajectory of the District's finances.
- Based upon the District's current and predictable revenue streams and the realistic potential for revenue decreases, it is desirous of providing salary and compensation increases to its staff which demonstrate appreciation for the hard-work and care which are provided to our students while recognizing that if our expenditures raise too quickly, they will be funded out of the District's financial reserves as opposed to any increase in revenues. This cycle will likely lead to short-term borrowing and cutting opportunities for children.

Status of Negotiations

- The Board of Education has been working with the Union to reach a multi-year collective bargaining agreement that serves the best interests of all community stakeholders and which allows the District to continue to expand and improve educational and extra-curricular opportunities to our children.
- The parties began bargaining for a successor agreement on June 3, 2021. After ten sessions, the parties mutually requested the assistance of a mediator from the Federal Mediation and Conciliation Service (FMCS) to assist them in reaching an agreement. Despite working with the assigned mediator on three (3) occasions for over twelve (12) hours, the parties have not yet reached an agreement.
- The Union initiated the public posting process under the Illinois Educational Labor Relations Act on December 10, 2021. The initiation of this process requires a submittal of the most recent proposals presented by each party to the Illinois Educational Labor Relations Board. This public posting process is a procedural pre-requisite to the Union's ability to legally strike.

SNAPSHOT OF THE BOARD'S SALARY OFFER: RAISES FOR EVERY EMPLOYEE IN EACH YEAR

School Year	Increase	Additional Cost	Total Salary Cost
2021-2022	2% Increase of Base Salary	\$21,488	\$1,095,879
2022-2023	2% Increase of Base Salary	\$21,918	\$1,117,793
2023-2024	2% Increase of Base Salary	\$22,356	\$1,140,149

SNAPSHOT OF THE UNION'S SALARY OFFER: UNSUSTAINABLE ANNUAL INCREASES

School Year	Increase	Additional Cost	Total Salary Cost
2021-2022	8% Increase of Base Salary	\$85,951	\$1,160,338
2022-2023	6.75% Increase of Base Salary	\$78,323	\$1,238,661
2023-2024	6.75% Increase of Base Salary	\$83,610	\$1,322,271

The Union's proposed salary increases are sufficient under the Pension Code to require an actuarial penalty payment by the District to the Teachers Retirement System for any employee who ends service with any of these years being used to calculate the employee's final average salary. 40 ILCS 5/16-158(f). By law this penalty must be borne by the District alone. Depending on the employee's age and years of service, this penalty can be thousands of dollars.

ADDITIONAL FINANCIAL PROPOSALS OF THE UNION

- Student Loan Repayment Assistance – Provides up to \$5,250 per year for each employee. Assuming 50% usage of the program, it would represent an annual cost to the District of \$52,500 annually. This expenditure would equate to an almost 5% increase in salary for the entire bargaining unit.
- Increases to Extra Duty Pay Representing an Annual Increase of \$10,241.
- Base Salary Increases to Support Staff Categories of the following amounts: (1) \$5,276 (23%) for 0-89 hours category, (2) \$6,607 (28%) for 90-119 hours category, (3) \$7,939 (33%) for 120 or more hours category. This greatly increases the cost to bring on additional support personnel.
- Payment of \$100 per employee for attendance at Open House which is currently performed as part of base compensation. Annual Cost of \$2,000.
- Increase in Internal Substitution Rate from \$25 per hour to \$50 per hour. This increases the daily rate where a substitute teacher is not available from \$175 per day to \$350 per day. Based upon historical trends of absences and the lower number of available substitutes, the District estimates that there will be approximately 100 days per year of Internal Substitution usage. This reflects an annual increase of \$17,500 with that assumption.

ADDITIONAL FINANCIAL PROPOSALS OF THE UNION

- Increase in Annual Tuition Reimbursement Pool from \$15,000 to \$25,000. The pool has not been exhausted in any year since the Pool has been created. Increasing the pool would require a District set-aside of an additional \$10,000 which could otherwise be invested in student programming and support.
- The Union proposes hard class size caps which would require the hiring of a paraprofessional employee if the newly created class size caps are exceeded for thirty (30) days. The average cost of a paraprofessional employee is \$37,844 in salary and health insurance benefits only. The District's average class sizes are generally under the State average and are 20 for this school year. The larger issue, however, is the District has a five (5) year Student Mobility Rate of 16.2% which is significantly higher than the State average of 6.6% for that same time-frame. The historic transitory enrollment and disenrollment of students makes the idea of automatically hiring new staff based upon hard and lower numbers to be unsustainable.
- The Union proposes to add an additional bereavement leave day raising the number from 4 to 5.

FINANCIAL AREAS OF AGREEMENT

- The parties jointly agree to increase the monthly health insurance by \$20 per month (\$240 per year) for all employees for each year of the three-year agreement. This proposal likely ensures that the Board of Education would continue to pay 100% of single insurance for all employees thorough the entirety of the CBA. The increased annual cost of this to the District of \$1,200 if current usage and program enrollment remains the same. This cost could increase if the overall cost of health insurance rises or a greater proportion of staff enroll in coverage programs other than Single.
- The parties jointly agree to increase the sick leave buy-back for paraprofessionals from \$35 per day to \$40 per day.

ANNUAL COST COMPARISON BETWEEN THE PROPOSALS

School Year	Cost of Board Additional Financial Offer	Cost of Union Additional Financial Demand	Difference
2021-2022	\$22,688	\$169,392	\$146,704
2022-2023	\$23,118	\$161,764	\$138,646
2023-2024	\$23,556	\$167,051	\$143,495
Total	\$69,362	\$498,207	\$428,845

REMAINING LANGUAGE PROPOSALS OF THE UNION

- The Union proposes to remove a Dress Code provision which requires staff to dress “in a professional manner” to serve as role models for the students. The current language permits a weekly “dress-down” day which allows for the wearing of jeans and school spirit wear. The District believes that that the Dress Code sets the tone for the professional environment of our schools and provides an example for our students who also have dress expectations set forth in the Student Handbook.
- The Union proposes to remove language which restricted the ability of employees to show up late or to leave early only “for good cause in an emergency situation” after notification to the building principal. The Union’s proposal seeks to undermine the requirement for staff to be at work on-time and for the full workday. The District believes that the presence of its employees for the full contractual workday is important for many reasons and that if an emergency arises it should require notification to the Principal.
- The Union seeks to remove a provision of the CBA which prohibits an annual increase for a staff member rated as “unsatisfactory” in his/her annual performance evaluation. The District believes that a staff member performing at an “unsatisfactory” level should not receive a raise.

REMAINING LANGUAGE PROPOSALS OF THE UNION

(Continued)

- The Union proposes to provide Summer School assignments and Extra-Duty assignments solely based upon seniority for a three (3) year term. This proposal does not promote the concept of hiring the best person for the position and inhibits the ability to remove an ineffective staff member from one of these provisions.
- The Union proposes to add in a progressive discipline plan for licensed administrators which inhibits the ability of the District to re-direct employees. This language has not been necessary in the past and remains unnecessary.

CONCLUSION

- The Board of Education looks forward to continuing to work with the Union to reach a fair and financially sustainable collective bargaining agreement. We remain hopeful that there will be no additional disruptions to the educational opportunities of our children based upon these negotiations.