

TESD-TEEA Two-Year Contract
July 1, 2012 – June 30, 2014

Cost Analysis

The 2012-2013 cost of the agreement results in a savings to the District of approximately \$400,000 compared to the 2012-2013 budget. The District's increased cost for the 2013-2014 school budget is approximately \$1,500,000 over the 2012-2013 contract costs.

Salary/Teacher Year

The TEEA represents 439.1 FTE for 2012-2013.

Minimum salary in 2012-2013 is \$50,250.

Minimum salary in 2013-2014 is \$50,250.

Maximum salary in 2012-2013 is \$110,900.

Maximum salary in 2013-2014 is \$110,900.

A salary freeze is in effect for the first year of the contract. The salary schedule for 2011–2012 will be the salary schedule implemented for the 2012–2013 contract year. The teachers will remain on the same place in the salary schedule for the first year of the contract. The 2012-2013 teacher year is 191 days with 182 student days.

During the second year of the contract, 2013–2014, the teacher salary schedule will continue to be based upon the 2011–2012 salary schedule. The teacher work year will be 191 days with 182 days student days. In the second year of the contract it was

agreed that there will be four one-half day teacher furlough days. A furlough means that the teacher does not work for that period of time and is not compensated for it. These four one-half furlough days are equal to a salary reduction of approximately 1% per teacher based upon the 2011–2012 salary schedule. The teachers will remain on the same place in the salary schedule during the 2013–2014 contract year.

In 2013–2014 there will be a one-time nonrecurring, off-scale bonus of \$2,500 for each full time bargaining unit member prorated for employees serving less than full time. The health room nurse classification employee will receive \$2,250 as a one-time nonrecurring, off-scale bonus for each full-time health room nurse.

Tuition Reimbursement

Tuition reimbursement in 2012–2013 is available to certain employees enumerated in the Memorandum of Understanding with the Association which also prohibits the District from demoting staff for economic reasons. This caps tuition reimbursement at approximately \$290,000. In year 2013–2014, tuition reimbursement is capped at \$150,000 available to all eligible teachers on a first-come first-served basis until the fund is depleted for the year.

Healthcare Benefits

Healthcare costs are substantial for the District. The Association's members agreed to increase their contributions toward the cost of their health insurance annual premium. Beginning January 1, 2013, Association members will move

from a fixed premium contribution to a percentage of the cost of the premium cost. On January 1, 2013, the healthcare plan will change from the current plan to an offering of a core plan known as Blue Cross Personal Choice C4 F4 02. The employer will pay 91% of the premiums for employee and dependent coverage for full-time employees who elect this plan and the employee will pay 9% of the premium cost. An option is available to Association members to buy up to the Blue Cross Personal Choice C2F202 for employee and dependent coverage, with the employer paying 90% of the premium cost and an employee contribution of 10% of the premium cost. Effective July 1, 2013 through June 30, 2014, the employer will pay 90% of the premium for employee and dependent coverage to those who elect Blue Cross Personal Choice C4F402 and the employee will pay 10% of the premium cost. The employer will pay 89% of the premium cost for employee and dependent coverage for full-time employees who elect Blue Cross Personal Choice C2F202 and the employee will pay 11% of the premium cost.

The change in health insurance plan and the employee premium share percentage contribution increase provide savings to the District over the current plan. The Association members are sharing part of the increase in healthcare costs for their health insurance.

Effective July 1, 2013, the District shall cover same sex domestic partners for all health benefit insurance programs, subject to the requirements of the insurance provider. In order for same-sex domestic partners to receive benefits pursuant to this agreement, such same-sex domestic partners must establish a relationship based upon the set of criteria developed by the

District. In the event a court or administrative agency were to rule that failure to provide heterosexual domestic partners for health benefit insurance as described in this agreement would be deemed illegal or contrary to law for any reason, the District would have the option of imposing a provision requiring that unmarried heterosexual couples, as well as same-sex domestic partners, would pay 95% of the premium cost for such healthcare programs.

Prescription

There is a modification to the employee co-pays for prescription costs beginning in January 1, 2013 which provides savings to the District as the Association's members accept an increased share in the cost of their prescription plan. The prescription plan will have co-pays of \$12 for generic, \$35 for brand-name, and \$50 for nonpreferred brand-name with a 5% co-pay on specialty drugs to an annual maximum of \$2,500 for individual coverage and \$5,000 for family coverage. In year 2013-2014, the prescription co-pay costs remain at the same rate for employees.

Memorandum of Understanding

- The contract includes a Memorandum of Understanding which permits the President of the Association to speak at regular School Board meetings.