

South Butler County School District

Summary of Outstanding Economic Issues as of October 28, 2008.

Board's Position.

Work Day: The Board's proposal increases the teachers' work day to seven (7) hours and forty (40) minutes.

Wages: The Board is offering average annual wage increases of 3.25% (approximately \$1,775 per year on average) per teacher for each year of the 5-year contract. The Board will prepare the Salary Schedules so that the most senior teachers receive an equitable raise each year of the contract. The 5-year cost difference between the Board's and the Union's wages proposals is approximately \$4,485,000.

Health Insurance Plan: The Board is offering the Blue Cross/Blue Shield (PPO) Plan with \$250/\$500 in-network deductibles; \$15 to \$25 office co-payments; \$50 emergency room co-payment; Choice Formulary with \$10 generic, \$30 brand and \$45 non-brand co-payments. When implemented, this Plan is projected to reduce the District's cost by \$160,000 per year.

Employee Premium Contributions: The Board is offering monthly employee premium contributions of \$20 per month for individual, \$25 per month for employee/child and employee/spouse, and \$30 per month for family coverage. The teachers currently pay \$10 per month for individual, \$15 per month for employee/child and employee/spouse, and \$20 per month for family coverage.

Supplemental Wages: The Board is offering to increase supplemental wages by 2.0% each year of the 5-year contract. Supplemental wages are paid for coaches, advisors, after school work, extra duties, department chairpersons, etc.

Retirement Bonus: The Board has proposed the elimination of the retirement bonus.

Union's Position.

Work Day: The Union is demanding that the work day remain at seven (7) hours and twenty (20) minutes.

Wages: The Union is demanding average annual wage increases of 5.9% (approximately \$3,400 per year on average) per teacher for each year of the 5-year contract. The Union wants to prepare the Salary Schedules so that the schedules include additional educational columns and an increased starting salary of over \$40,000. The cost of the additional educational columns and increases to the starting salary are in addition to the 5.9%.

Health Insurance Plan: The Union is demanding the Blue Cross/Blue Shield (PPO) Plan with NO in-network deductibles; \$10.00 office co-payments; \$25 emergency room co-payment; Incentive Formulary with \$5.00 generic, \$20.00 brand and \$35.00 non-brand co-payments. The Union's Plan would actually increase the District's cost each year.

Employee Premium Contributions: The Union is demanding a reduction in the monthly employee premium contributions from the current rate of \$10 per month for individual, \$15 per month for employee/child and employee/spouse, and \$20 per month for family coverage to \$5.00 per month for individual, \$10.00 per month for employee/child and employee/spouse, and \$15.00 per month for family coverage.

Supplemental Wages: The Union is demanding supplemental wage increases of 4.0% each year of the 5-year contract. Supplemental wages are paid for coaches, advisors, after school work, extra duties, department chairpersons, etc.

Retirement Bonus: The Union is demanding a retirement bonus which would provide the following at District cost: a.) retirees and their spouses with continued health and dental insurance coverage for a time period up to 14 years after retirement; b.) a lump sum cash payment of \$10,000 to \$19,000 depending upon years of service; and c.) an additional lump sum cash payment equal to \$75.00 per day for each accumulated sick leave day.