

Instructional Unit Economic Proposal 2011-2012

Due to the fourth year of severe financial crisis in the State of Florida, education funding for all school districts continues to suffer. In addition, most school districts, including Pasco County, face fewer student enrollments than projected, thus further exacerbating funding shortfalls. Again State education funding formulas included nonrecurring funds that are not guaranteed beyond this school year, leaving school districts and school employees facing decreased revenues. Therefore, in light of these unprecedented financial circumstances, the District and Union have agreed to the following economic components in an effort to preserve jobs and benefits.

1. Salaries

a) Salary Schedules

1) Teachers will continue to be paid at their 2010-2011 base salary level for 2011-2012 plus any supplemental salary earned during 2011-2012. Salary schedules will be adjusted to reflect that eligible teachers receive a year of experience credit; however, salary schedule steps will reflect annual compensation at 2010-2011 levels.

2) All compensation under the Pasco Service Incentive (PSI) will remain at the 2010-2011 levels. Therefore, the \$1,000 PSI will not be implemented, and teachers on PSI will receive the same salary as 2010-2011. For teachers who would otherwise be eligible for PSI for the first time during the 2008-2009 through 2011-2012 school years, the \$1,000 PSI will not apply, and such teachers will receive the same salary as 2010-2011.

b) Supplement Schedule amounts will remain the same as during the 2010-2011 school year.

c) The intent of this proposal is to maintain teachers salaries at 2010-2011 salary levels. Should there be any deviations from this premise during implementation, the Board and the Union are authorized to correct these deviations. In addition, should the District's budgetary status improve during the 2011-2012 school year, the Board and the Union agree to meet to examine the possibility of compensation improvement.

2. Fingerprint Retention Fees:

The Board will continue to pay the fingerprint retention fee for teachers, estimated to be \$49,964 for the 2011-2012 school year.

3. Budgetary Committee

The Superintendent and Union President will mutually determine whether to continue the Budgetary Committee for the 2011-2012 school year. In the event, the Budgetary Committee is continued, the Superintendent and Union President will mutually agree to how the committee will function and membership selection, however the School Board may designate one member of the community to serve on the committee.

4. Furlough Days

In an effort to help balance the District's budget this year, the Board and the Union agree that all teachers shall be furloughed two (2) days during the 2011- 2012 school year. One of these days shall be a student contact day, and the exact dates of both furlough days shall be mutually agreed upon by the Board and the Union by September 2, 2011.

In order to minimize the financial impact of these furlough days on employee paychecks, the District shall begin deducting an equal prorated amount of this day from remaining paychecks scheduled for the 2011-2012 school year. To further minimize the financial impact to the employees as much as possible, these deductions shall begin prior to ratification of this agreement.

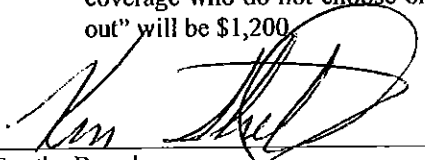
The Board and Union also agree that they will regularly meet to continuously review the financial condition of the District, including potential savings from a variety of sources including but not limited to health insurance utilization, to determine if these furlough days can be reimbursed to employees. It is not intended that savings from these furlough days be set aside to offset any anticipated shortfall for the 2012-2013 school year.

5. Fringe Benefits

The Board agrees to contribute \$5,973.27 (an increase of \$173.98 over 2010-2011 levels) per eligible employee, toward the cost of the health insurance benefit package for the 2012 insurance plan year. The Board's contribution will be used to pay those premiums associated with the fully-insured benefits contained in the health insurance benefit package, to pay all claims and administrative costs incurred and associated with the self-insured benefits contained in the health insurance benefit package, and to contribute towards the insurance reserve account for the self-insured benefits contained in the health insurance benefit package.

Should there be any surplus once the District has set aside funds to pay all fully insured premiums, all self-insured incurred claims, all administrative costs associated with the health insurance benefits package, and contributed to the insurance reserve account, then such surplus will be applied first to offset furlough days, then applied towards the insurance reserve or costs for the 2013 plan year as determined by the District Insurance Committee. Should increases in costs for the products and services contained in the health insurance benefit package require an additional District contribution in excess of the additional \$2.5 million operating dollars budgeted for the 2012 benefit year, the Board and the Union will meet to decide how to balance any such deficit.

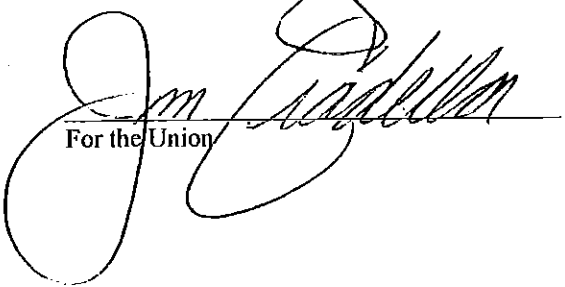
In addition, the alternative "opt-out" program shall be provided to bargaining unit members with existing coverage who do not choose one of the Board-approved health insurance plans. The amount of this "opt-out" will be \$1,200.



For the Board

8/25/11

Date



For the Union

August 25, 2011

Date

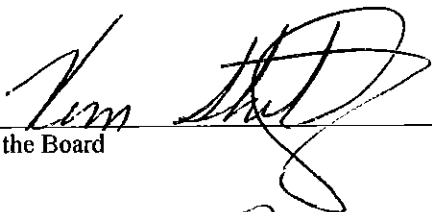
ARTICLE X – SALARY AND TEACHER WELFARE**SECTION B - Fringe Benefits****1. Health Insurance**

- a) The Board agrees to contribute ~~\$5,799.29~~ \$5,973.27 per eligible employee toward the cost of the benefits package for the ~~2011~~ 2012 insurance plan year.
 - i. An alternative Health Opt-Out Program shall be provided to bargaining unit members who declare that they have health coverage through another provider and who do not choose one of the Board-approved health plans. The amount paid to opt-out program participants will be \$1200.00 per year.
 - ii. Instructional Retiree Health Opt-Out Program: Effective January 1, 2004, the Board implemented a Retiree Health Opt-Out Program for those retirees who are eligible for district-paid group health insurance in accordance with Article X, Section F-1 of the Instructional Master Contract and who are enrolled in a comparable major medical health insurance plan through another carrier.
 - a. When a retiree enrolls in the Retiree Health Opt-Out Program, the Board will pay the retiree the amount being paid to active employees who are participating in the opt-out program. Such amount is subject to federal income tax. An annual payment for the number of months the retiree participates in the Retiree Health Opt-Out Program will be issued in a lump sum in December of the plan year or upon termination of eligibility, whichever occurs first. A participant in the Retiree Health Opt-Out Program will not be required to contribute to the board his/her FRS Health Insurance Subsidy.
 - b. A participant in the Retiree Health Opt-Out Program may reenroll in the district-paid group health insurance plan only if he/she is no longer covered by another major medical health insurance plan. Within thirty (30) calendar days following the date of cancellation/termination of the other major medical health insurance plan, the retiree wishing to reenroll in district-paid group health insurance plan must submit to the district's department of Employee Benefits, Assistance, and Risk Management (EBARM) a written request to reenroll, completed application forms, and a letter from the previous major medical carrier or employer stating date of cancellation/termination of coverage. The letter must be on letterhead from the major medical carrier or employer, include the cancellation/termination date of coverage, and signature of the benefit administrator of the major medical carrier or employer. The effective date of coverage of the district-paid group health insurance coverage will be the first day of the month following the submission of the written request, application, and related documents. The district does not guarantee continuous health coverage.
 - c. A retiree who fails to reenroll in the district-paid group health insurance plan in accordance with the timelines set forth in the above paragraph will remain in the Retiree Health Opt-Out Program until Medicare eligible or may elect to reenroll in the Board's retiree healthcare plan during the next regularly scheduled open enrollment for benefits to be effective January 1 of the following calendar year.
- b) It is agreed that the Board and the Union shall appoint an Insurance Committee consisting of six (6) members – three (3) representing the Board and three (3) representing the Union - for the purpose of reviewing rates and investigating and recommending coverages to the Board and the Union for the purpose of negotiating the aforementioned insurance in subsequent years. The Committee shall meet no later than April 1 of each school year.
- c) Teachers who work four (4) hours per day or twenty (20) hours or more per week for ninety (90) days or more per year shall be eligible for health insurance to the same extent as full-time teachers.
- d) All teachers shall be given the option of choosing dependent coverage, and the cost of such coverage which exceeds the individual premium cost shall be deducted, upon authorization, from said teacher's paycheck. The rates for dependent coverage shall be furnished to the bargaining unit members and provided to the Union prior to the annual open enrollment date.
- e) The open enrollment for health insurance shall be a minimum of thirty (30) calendar days. Date of open enrollment will be held prior to the anniversary date of the policy.

- f) Any teacher whose dependent status changes who wishes to add or delete dependent coverage after the enrollment period shall be restricted only by the provisions as stated in the Benefit Enrollment/Change Form (MIS#161).

2. Retirement

The Board agrees to comply with the Florida Retirement System's rules and regulations relative to employee contributions.



For the Board

8/25/11
Date



For the Union

August 25, 2011
Date

BOARD PROPOSAL #1

August 25, 2011

ADDENDUM A SALARY SCHEDULE

Rules Governing the Salary Schedule

1. Salary Schedules – Same

2. Differentiated Pay

The Board's salary schedules for instructional personnel allow for and provide differentiated pay as required in Florida Statute 1012.22. Differentiated pay is provided as listed below:

Academic Supplements listed in Addendum B;

Athletic Supplements listed in Addendum B;

Supplements to instructional positions identified in Addendum C;

Compensation for additional teaching assignment beyond the regular teaching assignment as listed in Addendum A. (These additional teaching assignments include Part-Time Adult Education, Part-Time Homebound Instruction, After-Hour ESE Activities, and After-Hour Instructional Programs);

Extended School Year assignments;

Additional compensation for teachers working at a school covered by a School Improvement Grant or Differentiated Accountability Memoranda of Understanding;

Alternative School assignment; and,

Advanced degrees and/or completion of additional credit hours beyond a degree as shown on Salary Schedule 55.

3. Teaching/Related Creditable Work Experience - Same

4. Advanced Degree/18 Hour Credit - Same

5. Full Year of Experience - Same

6. Pay Dates

All instructional employees shall be paid in twenty-six (26) equal installments. Teachers on a 196 day contract shall receive their first paycheck on ~~September 2, 2011, August 27, 2010, their second paycheck on September 3, 2010, and all subsequent paychecks will be issued at two (2) week intervals thereafter and six (6) five (5) paychecks at the end of the school year except those teachers who have unpaid leave reported to the leave department after May 21, 2012 May 24, 2011.~~ Teachers who have unpaid leave reported to the leave department after ~~May 21, 2012 May 24, 2011~~ will receive ~~five (5) four (4) paychecks at the end of the school year and the sixth (6th) fifth (5th) check will be issued on June 22, 2012 June 24, 2011.~~ Adult education teachers on extended contracts (230 days) will receive their first paycheck on ~~July 23, 2009, and all subsequent paychecks at two (2) week intervals thereafter.~~ School psychologists shall receive their first paycheck on ~~August 19, 2011 August 20, 2010,~~ and all subsequent paychecks at two (2) week intervals thereafter.

In the event that any regular pay date falls on a weekend or during any holiday period, paychecks shall be issued on the last working day preceding said weekend or holiday period. Further, after the end of the school year, teachers shall receive all paychecks owed them at the last regular pay date in June.

7. Termination Pay Dates - Same

8. Daily Rate Calculation - Same

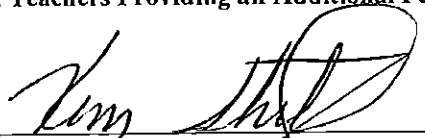
9. Hourly Rate Calculation - Same

10. Marchman 1.2 Salary Rate - Same

11. Moore Mickens 1.2 Salary Rate -- Same

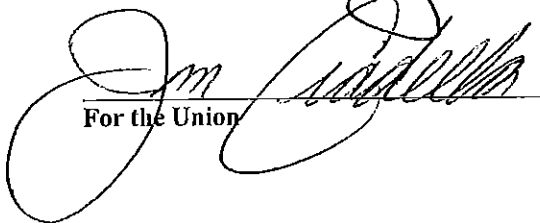
12. James Irvin Education Center and Harry Schwettman Education Center - Same

13. Teachers Providing an Additional Period of Instruction - Same



For the Board

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**MEMORANDUM OF UNDERSTANDING
SUPPLEMENTS FOR ADVANCED DEGREES**

In accordance with the Student Success Act, enacted by the Florida legislature during the 2011 legislative session, a district school board may not use advanced degrees in setting a salary schedule for instructional personnel hired on or after July 1, 2011, unless the advanced degree is held in the individual's area of certification and is only a salary supplement. Therefore, the Board and Union agree that the Instructional Salary Schedule and the provisions of Addendum A, Section 4 - Advanced Degree/18 Hour Credit, shall be superseded by this memorandum to the extent that they are inconsistent with the law and accompanying guidance/technical assistance.

Teachers hired on or after July 1, 2011, shall be entitled to receive additional compensation in accordance with the Instructional Salary Schedule and the provisions of Addendum A, Section 4 - Advanced Degree/18 Hour Credit, for advanced degrees or additional credit hours earned in the individual teacher's area(s) of certification. The Board and the Union will meet to discuss questions relative to a teacher's entitlement to this additional compensation when the need arises.

For teachers hired prior to July 1, 2011, the Instructional Salary Schedule and the provisions of Addendum A, Section 4 - Advanced Degree/18 Hour Credit, shall remain in effect.

The Board and the Union agree to review the status of the law relative to this memorandum of understanding during negotiations for the 2012/2013 school year, and to make the appropriate modifications to the contract if this specific provision of the law is still in effect and if no legal challenges are pending.



For the Board

8/25/11

Date



For the Union

August 25, 2011

Date