Date: February 23, 2017

To: ETA Members

From: Richard Johnson, ETA President

Jack Janezic, UniServ Director

Re: Questions regarding the TA, Salary Schedules, and the grievance

In response to questions regarding the TRS pickup language in the contract, the salary schedule utilized in the <u>Individual Increase Analyzer</u>, and the agreement to withdraw our grievance upon ratification of this Tentative Agreement (TA) we are providing the following explanation of our collective rationale.

Over the course of the current Elgin Agreement (2014-2017) the district has applied, as it had in previous contracts, the agreed upon increase in pay to the BA-Step 1 salary. All other salaries in the salary schedule are based upon the amount that appears in BA-Step 1. Our salary schedule has an underlying structure that is commonly referred to as an index and this index has not changed. The salary schedule in the current Agreement is listed inclusive of the statutory TRS contribution and was a change in practice.

Historically, ETA membership has requested that we provide a 'non-TRS' salary schedule for individual use to confirm accuracy in paychecks. Operationally the district utilizes the 'non-TRS' salary schedule in its payroll system to calculate taxes and other withholdings including the relevant TRS contribution on behalf of the member through payroll deduction.

The combination of the two major points above led the district to create salary schedules in its system that incorporated the agreed upon increases in each of the three years of the <u>Agreement</u>.

	BA-1 Salary w/o						BA-1 Salary		
Contract			TRS	Increase	TRS Rate		w/ TRS		
Prior	2013-14	\$	36,188		9.40%	\$	39,943		
Current	2014-15	\$	37,092	2.50%	9.40%	\$	40,940		
Current	2015-16	\$	37,945	2.30%	9.40%	\$	41,882		
Current	2016-17	\$	38,590	1.70%	9.00%	\$	42,407		

The district's position is that they have in fact complied with the Agreement.

		BA	N-1 Salary w/o			BA-1 Salary	Yr/Yr Incr
Contract			TRS	Increase	TRS Rate	w/ TRS	(%)
Prior	2013-14	\$	36,188		9.40%	\$ 39,943	
Current	2014-15	\$	37,092	2.50%	9.40%	\$ 40,940	102.5%
Current	2015-16	\$	37,945	2.30%	9.40%	\$ 41,882	102.3%
Current	2016-17	\$	38,590	1.70%	9.00%	\$ 42,407	101.3%

Using the same data and comparing the year-over-year increase in the salary listed with TRS led the ETA to a different conclusion and was the basis for our grievance.

The ETA position is that the BA-1 salary with TRS should have increased by the 1.7% which would lead to the following values:

		BA-1 Salary w/c	TRS	BA-1 Salary		
Contract		TRS	Difference	Rate	w/ TRS	Difference
Grievance	2016-17	\$ 38,761	\$ 171	9.00%	\$ 42,594	\$ 187

The grievance, as you can see above, can be argued from either side and the outcome rendered by an independent arbitrator is not guaranteed. Additionally, it should be noted that even a favorable outcome for the ETA would likely take 12 to 16 months to arbitrate and the settlement may or may not be obligated to those no longer employed in U46.

The current <u>tentative agreement</u> eliminates any confusion of the application of the language and establishes a <u>BA-1 Salary w/ TRS</u> for the 2017-2018 contract year that is 0.94% higher than is currently in place. [\$42,407 x 1.0094 = \$42,805] This increase in the base flows through to all membership for 2016-17 with the vast majority (nearly 67%) of our members earning salaries that are more than <u>3% higher than they are this year</u>.

The above facts coupled with the other compensation related terms of this Tentative Agreement are driving factors for the overwhelming support of this TA by the Representative Assembly and the unanimous support of your Board of Directors and ETA Officers.

If you have any other questions about this TA please don't hesitate to bring them forward so we can address them.