

**BEMIDJI AREA SCHOOLS
BEMIDJI, MINNESOTA**

DATE : MAY 16, 2016

TO : BOARD OF EDUCATION

FROM : DR. JAMES A. HESS, SUPERINTENDENT
JORDAN HICKMAN, DIRECTOR OF HUMAN RESOURCES

SUBJECT: TENTATIVE AGREEMENT WITH THE BEMIDJI PRINCIPALS'
ASSOCIATION FOR 2015-2017

COMMENT:

A tentative settlement has been reached with the Bemidji Principals' Association. Notification has been received that the tentative agreement has been approved by a vote of the Bemidji Principals' Association membership.

A copy of the tentative agreement has been provided to you. For your convenience, all additions to the contract are in bold print. A summary of the agreement is as follows:

1. Consistent with the salary settlement pattern established for other licensed staff, increase the salary schedule by 2.5% for 2015-2016 and 3.0% for 2016-2017.
2. The maximum District health insurance contribution would remain at \$2,100 per month for 2015-2016, but would DECREASE to \$1,660 per month for 2016-2017. The base salary schedule for 2016-2017 would include an additional adjustment to SHIFT dollars currently paid for health insurance premiums and does not constitute an increase in total compensation.
3. Maintain the current District contribution of \$215 per pay period to the Minnesota State Retirement System (MSRS) Health Care Savings Plan (HCSP) for each principal for 2015-2016 and increase to \$225 per pay period for 2016-2017.
4. Remove obsolete language regarding a discontinued Supplemental Medical Reimbursement Plan.
5. Increase group term life insurance coverage from \$200,000 to \$250,000 effective July 1, 2016.
6. Other items of agreement: Add language providing for reimbursement of up to \$500 every two years for routine physical examination expenses not paid by the district's health insurance plan and/or reasonable travel expenses associated with the routine physical examination; and increase the lifetime District match for the Matching Plan from \$40,000 to \$45,000.

Additionally, the parties have agreed to implement memorandums of understanding to sunset the Double Gold health insurance plan option on June 30, 2017; and eliminate the past practice of providing a third payroll date each December.

Summary:

The estimated total two year cash cost for this group is \$140,289 for a two year settlement of 4.23% based on the Minnesota School Board Association (MSBA) costing model. This includes all costs for salary schedule increases, insurance premium contributions, TRA contributions, FICA, and other fringe benefits. A copy of the agreement accompanies this memorandum.

ACTION:

The motion was offered by _____, seconded by _____, and carried () to approve the provisions of SBR 200-10-50, the employment agreement between Independent School District No. 31 and the Bemidji Principals' Association for the period July 1, 2015, through June 30, 2017.