

**BEMIDJI AREA SCHOOLS  
BEMIDJI, MINNESOTA**

**DATE :** MAY 16, 2016  
**TO :** BOARD OF EDUCATION  
**FROM :** DR. JAMES A. HESS, SUPERINTENDENT OF SCHOOLS  
**SUBJECT:** DISTRICT OFFICE ADMINISTRATION - TERMS & CONDITIONS OF  
EMPLOYMENT FOR 2015-2017

**COMMENTS:**

The purpose of this item is to implement terms and conditions of employment for the Director of Business Services, Director of Special Education, Director of Curriculum & Instruction, and Human Resources Director for 2015-2017.

A summary of the recommended changes is as follows:

1. Consistent with the salary settlement pattern established for 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 \$2,000 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. Increase group term life insurance coverage from \$200,000 to \$300,000 effective July 1, 2016.
4. Increase the District match to a qualifying 403(b) plan by \$500 to an annual maximum of \$5,500 for 2016-2017.
5. Remove obsolete language regarding a discontinued Supplemental Medical Reimbursement Plan.

Additionally, the members of this group have been notified of the District's intent 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 cost is \$56,914.24 for a two year settlement of 4.02% based on the Minnesota School Board Association (MSBA) costing model. This includes all costs for salary schedule increases, insurance premium contributions, TRA/PERA contributions, FICA, and other fringe benefits.

**ACTION:**

The motion was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, and carried ( ) to approve the provisions of the terms and conditions of employment for District Administrators for the period July 1, 2015, through June 30, 2017.