

Ramsey Teachers Association leaders have offered to change their health insurance plan to "save money."

The only problem? They want 143% of the cost savings, including a 3.22% raise now and a 6.25% raise next year.

What the Board of Ed. offered on 10/31/11:

- Change to state health benefits plan.
- Keep the 4.35% raise in 2010-2011—the one the NJ Commissioner of Education declared “null and void” because it violated state law.
- 2.5% aggregate salary increase in 2011-2012, retroactive to 9/1/11, amounting to \$520,000.
- 2.0% aggregate salary increase in 2012-2013, amounting to \$426,000.
- Add two steps to salary guide, so that future step increases are moderated, thereby lessening costs.
- An annual stipend of up to \$2,000 paid to teachers with 20 years experience and a master's degree.

How RTA leaders responded on 1/11/12:

- Agreed, if their salary demands are met.
- Agreed—they will keep their 2010-2011 increase (4.35%, or \$865,000), but they dispute the Commissioner's decision.
- They want a 3.22% increase, retroactive to 9/1/11, amounting to \$660,000.
- They want a 6.25% increase in 2012-2013, amounting to \$1,340,000.
- They will add one step, if their salary demands are met.
- Rejected.

RTA leaders' position: 4.35% + 3.22% + 6.25% = 4.61% average annual salary increase over three years

The BOE's offer: 4.35% + 2.50% + 2.00% = 2.95% average annual salary increase over three years

Average annual salary increase for Bergen County teacher contracts negotiated in 2011 was about 2.05%.

The BOE began negotiations with RTA leaders in January 2011. For 10 months, they refused to discuss any change to insurance benefits. One year later, they will agree to such a change, but only if they get their salary demands. District savings would be about \$1.4 million over this school year and next, but RTA leaders are demanding about \$2.0 million in salary increases before they will switch insurance plans and fix the salary guide. The BOE offered \$1 million in salary increases over the two-year period, or more than 71% of the insurance savings we would achieve. They are demanding 143% of the insurance savings.

In the past three years our district has lost over \$5 million in funding cuts. We can't raise property taxes to cover this revenue loss: State law imposes a tax levy cap of 2%, which translates into a potential annual tax revenue increase of about \$1 million. A new law requiring public employees to contribute toward health insurance premiums will eventually add about another \$1 million in annual revenue, which helps. These mandated contributions are not part of negotiations.

The only answer to the funding problem—if we

want to avoid layoffs, larger class sizes, and deterioration of our facilities and educational programs—is to control personnel costs. That means finding insurance alternatives that lower cost but still provide employees with good benefits. It means limiting salary increases. And it means being firm in our resolve to do what's right for the district.

Other Bergen County school districts have reached teacher settlements that recognize today's economic realities. Most are already enrolled in lower-cost insurance programs, and annual salary increases for their teachers have averaged about 2.05%, according to an 11/23/11 NJSBA report. The Ramsey BOE has asked RTA leadership to accept state health benefits and fix the guide. We offered a salary incentive almost a full percentage point above the county average.

We value tremendously our wonderful teaching staff. But we don't have enough ongoing revenue to sustain the RTA leadership's salary demands. We just can't do it and still maintain the quality of the Ramsey school district. And we are firm as a board in our majority support of the principles set forth in this ad.