



October 6, 2009

Robert Silverman, President  
District 219, Board of Education  
7700 Gross Point Rd.  
Skokie, IL 60077

Dear Bob,

After careful consideration, the NTFT and NTSS have decided to decline your request to reopen the current collective bargaining agreements for the purpose of renegotiating either salary or benefits. Since you have persisted in this request in spite of a previous negative response, and you have taken the time to explain your position both in person and in writing, we feel that the unions owe you and your board a thoughtful explanation of our response.

Your request to renegotiate the contract centers around three related assertions: (1) that since the contract extension was negotiated during more favorable economic times than the country currently faces, the terms that we agreed upon are no longer appropriate, (2) that the changing economic climate leaves the district unable to safely meet the financial obligations represented in the three-year agreements, and (3) that with so many people adversely affected by the economic downturn, it would be appropriate for the teachers and support staff in District 219 to be made to make sacrifices as well (assuming, apparently, that no union member has been adversely affected by America's economic crisis). We will address each of those points, in order.

1. The contract extensions were negotiated through a fair and open process, one that featured a spirit of goodwill on all sides. In fact, the board and the union leadership each publicly extolled the responsible terms of the contract and the cooperative process that led to its fruition. The unions continue to believe that the terms of the contracts are reasonable and responsible, representing an appropriate level of give-and-take on all sides—the unions gave up on some favored ideas and so did the Board. We added wellness benefits but increased our deductible and prescription co-pays so that our members pay more; we restructured the retirement benefits to protect the district from penalties under the new 6% cap law and provide an incentive that will save the district from costly ERO penalties even though many teachers will realize a pension lower than the previous contract delivered; we added a day to the work year, and finally brought about one of the child

care centers originally negotiated as a part of the 2004 contract. In terms of teachers' salary, though your letter refers to 5% increases in the board's total salary costs, let us remember that that 5% includes step and lane advances already built in to the salary schedule; the actual increase in salary is less than 3% per year – and that is without considering the cost of the extra day of work which calculates out to .56%. To be exact, the actual net average raise calculates to 2.18%, truly a modest figure. NTSS increases were also closer to 3.75% for anyone without step movement, which makes up a significant portion of the NTSS members. All of the above is meant to re-emphasize the point that the contract extension was fair and reasonable.

2. We are well aware that the national economy went through a dramatic downturn shortly after our contract negotiations, and we understand that the recession will have an impact on the district's revenue. But we do not agree that the situation warrants the unprecedented action of reopening the contracts that were so recently negotiated in good faith by all sides. The fact is that the referendum that passed in 2003 resulted in a steep rise in education fund revenue, allowing the district to bank a steady savings in every year since. As you will recall, the grassroots effort to pass that referendum was led by a joint effort of the board, the community, and the unions. The unions provided the facilities for a solid month of phone banking, the manpower to work those phones along with canvassing, poll-sitting, and other activities, and were the single largest donor to the referendum campaign. With the referendum money in hand, and through its own sound financial planning, the district is now well positioned to ride out this current storm, with a healthy reserve of over \$42 million in the education fund, \$22 million in working cash, and almost \$100 million in total fund balances. And, according to most economists, including the chairman of the Federal Reserve, the recession has likely already ended and, though the recovery might still be long and slow, the worst is most likely already behind us.
3. We understand that people all across the country – and in our own district - have been hit hard by this recession, but the decisions that we make in District 219 must be guided by our own economic conditions; clearly we are better positioned to weather this storm than most other school districts, corporations, and institutions – private and public. And please bear in mind that our members have been far from immune from the ill effects of this downturn. We have seen the value of our own savings plans, for college and retirement, slashed. Most of us have family members, including spouses, who have either lost their jobs or lost income. And of course, in the case of the support staff union, they have already paid dearly through the board's decision earlier this year to cut jobs, force early retirements, and reduce hours and wages, a decision that adversely affected dozens of NTSS members—all in a year in which the Board had more cash on hand than any in its history.

You mentioned at the start of your letter that the board and the unions have built a positive working relationship over the last several years. During our tenures as union presidents, we have taken great personal pride in fostering that relationship. However, after thoughtful consideration with our executive boards and union leadership, we cannot in good conscience recommend to our membership that we acquiesce to this request. While the board might see the unprecedented reopening of the contract as a sign of good will, the unions strongly believe that it would have the opposite result. Taking back from the workers' salary or benefits so recently negotiated, when the financial conditions of the district do not yet warrant such a move, would only threaten the positive relationship that the board and the unions have cultivated. Furthermore, it would cast a shadow over future negotiations for years to come; how would either side feel secure in knowing that a contract was put to bed once a precedent was set for such immediate reopening?

Though we have found it necessary to turn down your request to renegotiate the contract, the NTFT and NTSS stand committed to the principle of working cooperatively with the board and the administration to solve problems, settle disputes, and make our schools the best that they can be. We would welcome the opportunity to sit down with members of the board and administration to study more intently the financial conditions of the district while working together to explore ideas related to economic efficiency and stability.

Sincerely,

Steve Grossman, President  
Niles Township Federation of Teachers

David Dorl, President  
Niles Township Support Staff