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For Immediate Release

March 5, 2015

The Lincoln-Sudbury School Committee today announced the ratification of a new contract with the Lincoln-Sudbury Teachers' Association that substantially reduces the district's Other Post-Employment Benefit (OPEB) liability, successfully manages the growth of the district's operating budget, and thoughtfully ensures the quality of instruction at the high school.

The key features of the new contract include:

- An increase in active employee contributions to health insurance, from 30% to 35%, beginning in the 2017 fiscal year;
- Graduated increases in retiree contributions to health insurance that reach 50% in the 2018 fiscal year;
- Modest compensation increases representing, on a cash basis, cost of living adjustments (COLA) equivalent to 1%, 1.5% and 2% for fiscal years 2016 through 2018, respectively; and
- Full adoption of a rigorous educator evaluation program designed to ensure that the high school's instructional staff consistently performs at high levels.

"We are pleased that the new contract addresses the goals set out by the School Committee at the outset of negotiations, and that the financial terms of the contract enable the district to advocate for a level services budget that avoids staff cuts at a time when the high school's enrollment is at its peak," said Radha Gargeya, chair of the Lincoln-Sudbury School Committee. "We are grateful to the Teacher's Association for the collaborative and constructive tone of negotiations, which led to an early settlement and demonstrates the commitment of the faculty to maintaining excellence at Lincoln-Sudbury."

The new teacher contract provides for substantial increases in employee and retiree contributions to health insurance that will result in substantial cost savings to the district as well as a material reduction in the district's OPEB liability. The contract provides for new retirees to fund health insurance at rates commensurate with their level of contribution to health insurance at the time of retirement, and further provides that all individuals who retire after the 2018 fiscal year will be responsible for 50% of all of their future health insurance costs. Given the length of a typical retirement, this concession will have a substantial positive impact on the district's future cash obligations for retiree health insurance.

In addition, beginning with the 2017 fiscal year, all active employees will contribute 35% of the cost of health insurance, a percentage substantially higher than the contributions made by other Sudbury

employees. The cost avoidance resulting from these increased contributions is expected to be at least \$175,000 per year, which is the approximate cash equivalent of a 1% COLA increase for the high school's faculty and staff. The increased percentage of active employee contributions to health insurance will have a positive impact on the district's OPEB liability, and follows shrewd policy decisions by the School Committee in the last contract that resulted in reductions in the district's health insurance expense over the last three years.

The contract also provides for a COLA increase of 1% for the 2016 fiscal year, a percentage that is significantly lower than increases negotiated in peer school districts, and follows effective COLA increases of 0%, 1.15% and 1.35% for the last three fiscal years. The contract also provides for COLA increases of 2.5% and 3% for the 2017 and 2018 fiscal years, respectively. These COLA increases, when offset by the cash savings to the district resulting from increased health insurance contributions by active employees, results in net cash compensation increases of 1.5% and 2% in those years. The contract provides for a 1% COLA increase on the last day of the contract, which has no cash impact on the district in the 2018 fiscal year, but serves as a minimum compensation increase for the 2019 fiscal year.

Finally, following several years of collaborative activity among the district's leadership, the high school faculty, and the School Committee, a final version of the district's new educator evaluation system has been included in the contract. This system requires frequent observation and evaluation of all instructional staff, including those who have professional status, and requires a demonstrated and sustained commitment to the highest professional standards for the benefit of all Lincoln-Sudbury students.

"The faculty and staff at Lincoln-Sudbury is dedicated to our students' pursuit of academic excellence and the support of a school community that embodies our core values," added Mr. Gargeya. "This agreement recognizes the hard work and commitment that is consistently demonstrated by our faculty and staff."

Each of the members of the Lincoln-Sudbury School Committee, Radha Gargeya (Chair), Elena Kleifges (Vice Chair), Nancy Marshall, Kevin Matthews, Patricia Mostue and Gerald Quirk, as well as Robert Haarde of the Sudbury Board of Selectmen (acting on behalf of the Town Manager of Sudbury and the Town Administrator of Lincoln), voted in favor of ratification of the new teacher contract.

A copy of the new contract can be obtained on the website of the Massachusetts Department of Elementary and Secondary Education (DESE) at <http://educatorcontracts.doemass.org> when it is made available by DESE, or immediately on the School Committee page of the Lincoln-Sudbury website at <http://www.lsrhs.net/sites/schoolcommittee/resources>.

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