

Manchester Education Association
c/o Michelle Couture, NEA-NH
via email.

Dear Michelle:

Attached, please find our analysis of your one year salary proposal made on July 31, 2019. It confirms your estimated cost of nearly \$3 million in FY '20. Please also find Business Administrator Karen DeFrancis' commentary regarding the impact of retirees on the cost of your proposal. As you know, the Board of Mayor and Aldermen provided \$2.5 million to settle contract negotiations with the district's six bargaining units and its non-affiliated employees.

In addition, we have attached a counter proposal. It provides:

- a 3% increase for those on steps 1-14 in FY '20. Those currently on Step 15 would see their pay rise to Step 14 plus 3%, creating a new Step 15.
- a 3% increase for those on steps 1-14 in FY '21. Those on step 15 advance 1.5% to create a new Step 16.*
- a 3% increase for those on steps 1-14 in FY '22. Those on Step 15 advance to Step 16, receiving 1.5%. Those on Step 16 advance 1.5% to create a new Step 17.*
- a 3% increase for those on steps 1-14 in FY '23. Those on steps 15 and 16 receive at 1.5%. Those on Step 17 advance 1.5%, to create a new Step 18.*
- Three annual increases in entry level pay across degree levels starting in FY '21 and ending in FY '23.

In paying teachers either 3% or 1.5% of their prior year's salary and adding a step in each of the last three years of the contract, this proposal advances teachers from where they currently are rather than assigning them to their "new " step as our prior proposal did. This proposal also avoids the disruption caused by the MEA's prior "step compression" proposal. We are simply proposing to pay teachers either 3% or 1.5% more than they earned the prior year. We believe this provides the district with a more sustainable step scale and provides teachers with reliable increases they can follow from year to year.

In making this proposal, we note that it must be accompanied by changes to the health insurance. Otherwise, the district has insufficient funds to support it in the current fiscal year. Therefore, as part of this salary proposal, we are including the Site of Service proposal on the non-HSA health insurance plans and the capping the of district's portion of

the insurance premium at 80% of the HSA insurance plan. We are also proposing that the salary increase go into effect simultaneously with the implementation of the health insurance changes. In other words, if the health insurance changes go into effect on December 1, 2019, then on December 1, 2019, every teacher will receive the FY '20 raise outlined above for the balance of the year. Then, with the beginning of school in September, 2020, the FY '21 raises will begin in full.

We believe the proposed FY ' raises, coupled with the employee Site of Service savings, will provide the teachers with greater take home pay than the status quo that reflects a near 10% increase in the cost of the health insurance and provides no raise.

We look forward to the meeting on the 22nd.

For the committee,

Richard H. Girard

Richard H. Girard
Chairman, Special Committee on Negotiations