

## SETTLEMENT AGREEMENT

This Agreement is entered into this 30<sup>th</sup> day of August, 2011 by and between **The School Board of Polk County, Florida**, hereafter “**Board**”, and the **Polk Education Association, Inc.**, hereinafter “**PEA**”.

### Recitals

- A. The parties of this Agreement are the parties to an unfair labor practice proceeding initiated by the PEA in July 2009, PERC Case No. CA-2009-057. On July 23, 2010, The Public Employees Relations Commissions, hereafter (PERC), entered a Final Order concluding that the Board had committed an unfair labor practice. That PERC Final Order was affirmed by the Second District Court of Appeal in an Opinion filed August 17, 2011.
- B. For more than a year, PEA and the School District have engaged in collective bargaining for the purpose of concluding collective bargaining agreements for those units represented by PEA for the School Year 2010-2011. Those negotiations have resulted in implementation of the statutory impasse proceedings. Issues regarding the District’s health insurance plan for those employees represented by the PEA are still pending before the Board in that impasse resolution proceeding.
- C. As a result of extensive and good faith negotiations entered into the parties hereto, the settlement defined by this Agreement is entered into for the purpose of resolving the PEA’s unfair labor practice charge in PERC Case No. CA-2009-057, and to conclude a collective bargaining agreement for all Board employees represented by the PEA for the 2010-2011 school year, including a health insurance plan for those employees, beginning January 1, 2012.

D. The settlement contained herein represents significant compromises by both parties and, in part, is the result of uncertainty regarding the implementation of the PERC Final Order. The parties recognized the difficulty in recalculating the health insurance claims for thousands of participants for more than two years, whether the cost of HRAs could be recouped, and how individuals could be distinctly impacted by changing, retroactively, health insurance coverage. All things considered, the parties acknowledge that this settlement, including a new health insurance plan, provides significant benefits to the Board employees represented by the PEA and that those benefits far outweigh speculative benefits that may have been possible under the PERC Final Order.

**Now, therefore,** pursuant to good and valuable consideration exchanged between the parties hereto, each party acknowledging the receipt and sufficiency thereof, the parties have agreed as follows:

1. In full and complete settlement of all outstanding issues relating to or arising out of PERC Case No. CA-2009-057, in full satisfaction of any and all obligations due to the PEA and the employees it represents from the Board under the Final Order of PERC issued in said case, and in dismissal of said charge, the parties have agreed as follows (All references to “employees” contained herein and benefits received or due to employees are intended to only involve or apply to Board employees in those bargaining units for which the PEA is the certified bargaining agent.) :

- a. No deductions for employee health insurance coverage shall be made from the salaries of employees under either the 3566 or the 704 Health Insurance Plan after August 31, 2011.
- b. Employees under either the 3566 or 704 Health Insurance Plan who have spousal or dependent child coverage shall have such dependent coverage premiums reduced to those premiums deducted under the 3160/3161 Health Insurance Plan for the months of September, October and November 2011.
- c. All current employees employed as of September 1, 2011, who paid premiums for employee health insurance coverage (excluding spouse and child premiums) under either the 3566 or 704 Health Insurance Plan shall have forty percent (40%) of such premiums paid by those employees credited to a Health Reimbursement Arrangement (HRA) created for each of those employees. Each HRA created pursuant to this arrangement shall be available and shall operate on the same basis as HRAs previously created under the School Board's 3160 Plan and shall continue through December 31, 2013; and, thereafter, any remaining balances in the HRA shall be returned to the health insurance plan. The HRAs created pursuant to this arrangement shall be available for permitted expenses incurred by the employee, spouse or child(ren) of the employee if the spouse or child(ren) are covered under the School Board's health insurance plan.
- d. Employees receiving an HRA account under this agreement shall be notified of the available HRA balance no later than September 30, 2011. HRA debit cards shall be issued to employees no later than October 31, 2011. These employees shall be

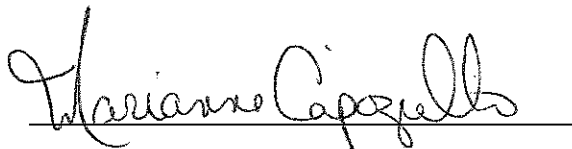
- entitled to reimbursements effective September 1, 2011. For claims submitted prior to receipt of HRA debit cards, such claims shall be submitted to the District's Risk Management and Employee Benefits Department for processing and subsequent payment.
- e. All Paraeducators who were laid off as of August 1, 2011, and who while employed paid premiums for employee coverage (excluding spouse and child premiums) under either the 3566 or the 704 Health Insurance Plan, shall be reimbursed forty percent (40%) of such premiums paid by the employee.
  - f. The Board agrees to pay to "Meyers, Brooks, Demma and Blohm Trust Account" the sum of \$51,793.47, as reimbursement of legal fees and costs incurred by the PEA in connection with the PERC proceedings.
  - g. The Board agrees to post for sixty (60) days at each work site for employees represented by the PEA a notice containing that information appearing in the sample notice attached hereto as Exhibit "A".
2. In full and complete settlement of the statutory impasse resolution procedure with the PEA currently pending before the Board, the parties agree that they have reached a tentative agreement on the provisions of each collective bargaining agreement for the three units represented by PEA regarding insurance that are attached hereto as Exhibit "B", including the schedule to each agreement establishing the benefits of a new health insurance plan to become effective January 1, 2012 and continue through December 31, 2013. The PEA agrees to recommend to the employees it represents that the proposed contract language on insurance and the new health insurance plan be ratified.

3. The Superintendent agrees to recommend to the Board the adoption of this Agreement.

**In Witness Hereof**, the parties hereto have executed this agreement on this 30<sup>th</sup> day of August, 2011.

**Polk Education Association, Inc.**

**Polk County School District**



**By: Marianne Capozello, President**



**By: Sherrie B. Nickell, Ed.D.**

**Superintendent**

**The School Board of Polk County, Florida**

\_\_\_\_\_

**By: Kay Fields, Board Chair**

**Attest:** \_\_\_\_\_

# **EXHIBIT “A”**

## **Notice to Employees**



# NOTICE TO EMPLOYEES

POSTED PURSUANT TO AN ORDER OF THE  
PUBLIC EMPLOYEES RELATIONS COMMISSION

AN AGENCY OF THE STATE OF FLORIDA

AFTER A HEARING IN WHICH ALL PARTIES HAD AN OPPORTUNITY TO PRESENT EVIDENCE, IT HAS BEEN DETERMINED THAT WE HAVE VIOLATED THE LAW AND WE HAVE BEEN ORDERED TO POST THIS NOTICE. WE INTEND TO CARRY OUT THE ORDER OF THE PUBLIC EMPLOYEES RELATIONS COMMISSION AND ABIDE BY THE FOLLOWING:

WE WILL NOT unilaterally change the status quo of the health insurance plan for the employees represented by the Polk Education Association, Inc. (PEA).

WE WILL NOT refuse to bargain collectively or fail to bargain collectively in good faith over health insurance benefits.

WE WILL NOT in any like or related manner interfere with, restrain, or coerce bargaining unit members in the exercise of any rights guaranteed under them under Chapter 447, Part II, Florida Statutes.

WE WILL fully implement the settlement agreement entered into between the PEA and the Polk County School Board.

\_\_\_\_\_  
School District of Polk County, Florida

\_\_\_\_\_  
DATE

\_\_\_\_\_  
BY

\_\_\_\_\_  
TITLE

THIS IS AN OFFICIAL NOTICE AND MUST NOT BE DEFACED BY ANYONE

This notice must remain posted for 60 consecutive days from the date of posting and must not be altered, defaced, or covered by any other material. Any questions concerning this notice or compliance with its provisions may be directed to the Commission.

# **EXHIBIT “B”**

**Signed Tentative Agreements  
for the Teacher,  
Paraeducator, and  
Educational Support  
Personnel  
Collective Bargaining  
Agreements**

AUGUST 24, 2011  
MEDIATION IV/NEGOTIATIONS 12  
DISTRICT'S REVISED PROPOSAL FOR THE *TEACHER*  
COLLECTIVE BARGAINING AGREEMENT  
ARTICLE XXIII – INSURANCE

23.1 The Board agrees to pay ~~the health,~~ group term life (\$20,000) and Accidental Death & Dismemberment insurance premiums for all benefits eligible employees teachers. As of January 1, 2012, the School Board will provide one health insurance plan with applicable premiums as described in Appendix K of this document. Premiums for spousal and dependent coverage shall be offered as specified in Appendix K with all premiums to be paid by the employee.

23.2 The Board agrees to ~~offer~~ make available supplemental group term life insurance, dental and vision insurance for employees, and health, dental and vision insurance coverage for employee dependents, with all premiums to be paid by the employee.

*Existing Article 23.3 is addressed in a separate document.*

~~23.4 The Board agrees to provide, at no cost to full-time employees, a health insurance program through the Polk County Public Schools Employee Benefit Trust comparable to the current CCP (Coordinated Care Plan) health insurance program.~~

23.54 The effective date of health plan insurance for newly hired employees shall be approximately 90 days from the date of hire. For those employees beginning from the 1<sup>st</sup> through the 15<sup>th</sup>, insurance will begin on the first day of the month just prior to the completion of 90 days. For those employees starting on the 16<sup>th</sup> or after, insurance will begin on the first day of the month following 90 days of employment.

TA 8-25-11

John Farnar  
Mark A. By  
Denny Dunn  
Marianne Capozello  
F. J. [unclear]  
Laura McCabe  
Dedrick A. Leonard  
Abej Burkhart

Sandy Doyle  
Justin Amey  
Claire Gordin  
Kimberly & M. Reardon  
Lorinda [unclear]  
[unclear]  
Eugene S. Futh  
Walter Wagner

# TEACHER APPENDIX K - HEALTH INSURANCE PLAN BENEFITS SCHEDULE

**EFFECTIVE JANUARY 1, 2012 - DECEMBER 31, 2013**

	Current 3566 Plan	
	In-network/ YOU PAY	Out-of-network/YOU PAY
<b>Calendar Year Deductible (CYD)</b> -Individual/Family	\$750/\$1500	\$1500/\$3000
<b>Calendar Year Max Out of Pocket - Individual/Family</b>	\$5,000/\$9,000	Unlimited
<b>Family Physician Office Visit</b> (includes General Practice, Family Practice, Internal Medicine & Pediatrics)	\$40 Copay	CYD + 40% Coinsurance
<b>Specialist Physician Office Visit</b> (includes all other physician specialties including mental health professionals)	\$40 Copay	CYD + 40% Coinsurance
<b>Office Visit Co-Pays</b>	Do not accumulate as part of the deductible (CYD), but they do accumulate as part of the Out-Of-Pocket maximum for the Calendar Year.	
<b>Premium for Employee</b>	\$0 - Monthly	
<b>Premium for Spouse</b>	\$418 - Monthly	
<b>1 Child Premium</b>	\$95 - Monthly	
<b>2 Children Premium</b>	\$190 - Monthly	
<b>3+ Children Premium</b>	\$215 - Monthly	
<b>HRA Contribution</b>	\$0	Money held in individual HRA accounts must be used by 12/31/2013. After this date, all HRA accounts will be closed and any remaining funds will revert to the District.
<b>2 Employee Families</b>	The CYD and the maximum out-of-pocket will be treated as a family.	
<b>Hospital Services Inpatient or Outpatient</b>	Option 1 - CYD +20% Coinsurance Option 2 - CYD + 25% Coinsurance	CYD + 40% Coinsurance
<b>Emergency Room</b>	CYD + 20% Coinsurance	CYD + 20% Coinsurance
<b>Urgent Care</b>	CYD + 20% Coinsurance	CYD + 40% Coinsurance

Walter Hayes

Sandy Day & Elaine Andrus Kimberly McNeamond

TMM 9/11

Penny Burchett

Mark C. By  
 Marianne Capozzello  
 TA 8-25-11  
 Tony F...  
 Eugene H. F...  
 Laura McCabe  
 Penny Burchett  
 [Signature]

	In-network/ YOU PAY	Out-of-network/YOU PAY
<b>Outpatient Surgery Ambulatory Surgical Center Facility Services</b>	CYD + 20% Coinsurance	CYD + 40% Coinsurance
<b>Hospital Facility Services</b>	Option 1 - CYD +20% Coinsurance Option 2 - CYD + 25% Coinsurance	CYD + 40% Coinsurance
<b>Prenatal Office Visit Services</b> (Inpatient Services are covered like any other hospital stay)	(Due at initial visit only) \$50	(Due at initial visit only) CYD + 40% Coinsurance
<b>Outpatient Therapy</b> (includes Cardiac, Occupational, Physical, Speech & massage Therapies and Chiropractic Visits)	Option 1 - CYD +20% Coinsurance Option 2 - CYD + 25% Coinsurance	CYD + 40% Coinsurance
<b>Benefit Period Maximum</b>	35 Visits (includes up to 26 Spinal Manipulations)	35 Visits (includes up to 26 Spinal Manipulations)
<b>Independent Clinical Lab (outside the office visit setting)</b>	CYD	CYD + 40% Coinsurance
<b>Independent Diagnostic Testing Facility (IDTF) (includes physician services) Advanced Imaging (MRI, MRA ,PET, CT, Nuclear medicine)</b>	CYD + 20% Coinsurance	CYD + 40% Coinsurance
<b>Routine Preventive Health &amp; Screening Services</b> (includes well-woman exam)	No Maximum \$0 (NO DEDUCTIBLE)	No Maximum 40% Coinsurance (NO DEDUCTIBLE)
<b>Family Physician/PCP or Specialist</b>		
<b>Preventative or Diagnostic Mammogram</b>	\$0	\$0
<b>Mental Health &amp; Substance Abuse Inpatient/Outpatient Provider Services at Hospital and ER</b>	CYD + 20% Coinsurance	CYD + 40% Coinsurance
	CYD + 20% Coinsurance	CYD + 20% Coinsurance
<b>Skilled Nursing Facility</b>	CYD + 20% Coinsurance Limited to 60 days per Benefit Period	CYD + 40% Coinsurance Limited to 60 days per Benefit Period
<b>Definitions</b>		
<b>CYD</b>	Calendar Year Deductible	
<b>Co-Insurance</b>	The percentage the insured will pay for an allowed charge for a service provided by a healthcare provider after satisfying any copayment or deductible.	

*Walter Chagnon*

*Blaine Audin*

*Sandy Day*

*TM SM*

*Michelle*

*Dee Bumbart*

*Maude R. Coy*  
*Marianne Capogelbo*

*TA 8-25-11*  
*John Finn* <sup>2 of 2</sup>

*Suzanne Amoro*  
*Faura Mc Cabe*  
*Denny Deun*  
*Eugene L. Felt*

AUGUST 24, 2011  
MEDIATION IV/NEGOTIATIONS 12  
DISTRICT REVISED PROPOSAL FOR THE *PARA*EDUCATOR  
COLLECTIVE BARGAINING AGREEMENT

ARTICLE XIV. INSURANCE

14.1 The Board agrees to ~~pay~~provide group term life (\$20,000) and Accidental Death & Dismemberment insurance premiums for all benefits eligible employees. As of January 1, 2012, the School Board will provide one health insurance plan with applicable premiums as described in Appendix H of this document. Premiums for spousal and dependent coverage shall be offered as specified in Appendix H with all premiums to be paid by the employee.

14.2 The Board agrees to ~~offer~~ make available supplemental group term life insurance, dental and vision insurance for employees, and health, dental and vision insurance coverage for employee dependents, with all premiums to be paid by the employee.

~~14.1 Full time paraeducators shall receive the same basic insurance benefits as other full time employees. This applies to health insurance and life insurance coverage. Dental insurance will be available to employees and their dependents; employees shall pay the premium. Supplemental life insurance will be available to employees; employees shall pay the premium.~~

14.23 Any paraeducator granted a leave of absence as provided in this Collective Bargaining Agreement shall have the option to remain on active participation in all fringe benefit programs for a maximum of two years; provided that the premiums for insurance programs shall be paid by the paraeducator on a monthly basis in advance of the month due.

~~14.3 The Board agrees to provide, at no cost to full time employees, a health insurance program through the Polk County Public Schools Employee Benefit Trust comparable to the current CCP (Coordinated Care Plan) health insurance program.~~

*Proposed new Article 14.4 is addressed in a separate document.*

14.45 The effective date of health plan insurance for newly hired employees shall be approximately 90 days from the date of hire. For those employees beginning from the 1<sup>st</sup> through the 15<sup>th</sup>, insurance will begin on the first day of the month just prior to the completion of 90 days. For those employees starting on the 16<sup>th</sup> or after, insurance will begin on the first day of the month following 90 days of employment.

\*\*\*\*\*

TA 8-25-11  
JF  
Mach C. [Signature]  
Cusack, H. [Signature]  
Marianne Capelle  
Dedrick [Signature]  
Poley Burkhardt  
Jana McCabe  
Sandy [Signature]  
Amera [Signature]  
Dethman [Signature]  
Elaine [Signature]  
Lorinda [Signature]  
[Signature]

AUGUST 24, 2011  
MEDIATION IV/NEGOTIATIONS 12  
DISTRICT REVISED PROPOSAL FOR THE *EDUCATIONAL SUPPORT PERSONNEL*  
COLLECTIVE BARGAINING AGREEMENT

**ARTICLE XII. EMPLOYEE BENEFITS**

12.1 The Board agrees to ~~pay~~provide group term life (\$20,000) and Accidental Death & Dismemberment insurance premiums for all benefits eligible employees. As of January 1, 2012, the School Board will provide one health insurance plan with applicable premiums as described in Appendix G of this document. Premiums for spousal and dependent coverage shall be offered as specified in Appendix G with all premiums to be paid by the employee.

12.2 The Board agrees to ~~make available~~offer supplemental life insurance, dental and vision insurance for employees, and health, dental and vision insurance coverage for employee dependents, with all premiums to be paid by the employee.

~~12.1 Insurance: Full-time employees shall receive the same insurance benefits as other full time employees. This applies to health insurance and life insurance coverage. Dental insurance will be available to employees and their dependents; employees shall pay the premium. Supplemental life insurance will be available to employees; employees shall pay the premium.~~

~~12.2 The Board agrees to provide, at no cost to full time employees, a health insurance program through the Polk County Public Schools Employee Benefit Trust comparable to the current CCP (Coordinated Care Plan) health insurance program.~~

*Proposed new Article 12.3 is addressed in a separate document.*

12.34 The effective date of health plan insurance for newly hired employees shall be approximately 90 days from the date of hire. For those employees beginning from the 1<sup>st</sup> through the 15<sup>th</sup>, insurance will begin on the first day of the month just prior to the completion of 90 days. For those employees starting on the 16<sup>th</sup> or after, insurance will begin on the first day of the month following 90 days of employment.

TA 8-25-11  
JF  
Mark G. Coy  
Marianne Capella  
Janice Mc Cabe  
Susan Cameron  
Elaine Andino  
Doddick A. Leonard  
Betsy Burdick  
Sandy Doyle  
Kimberly S. McDemara  
Catherine Hagen  
Drew Z...

AUGUST 24, 2011  
MEDIATION IV/NEGOTIATIONS 12

DISTRICT'S REVISED PROPOSAL FOR THE *TEACHER*  
COLLECTIVE BARGAINING AGREEMENT  
ARTICLE XXIII - INSURANCE

23.3.4 The Insurance Committee shall be established by the Superintendent to study and make recommendations concerning health, life, dental and vision insurance coverage. No more than two members of this bargaining unit ~~Six members shall be appointed to the committee by the Association.~~ The Association may appoint up to six individuals to serve on the committee. Those six being the total number appointed by the Association for all bargaining units represented by the Association. The committee will make its recommendations to the Superintendent with copies to the Board at a date established by the Business Services Division's Risk Management and Employee Benefits Department, but no later than sixty (60) days prior to the bid date, or thirty (30) days prior to expiration of the current policy, if no bids are to be taken.

\*\*\*\*\*

DISTRICT REVISED PROPOSAL FOR THE *PARAEDUCATOR*  
COLLECTIVE BARGAINING AGREEMENT  
ARTICLE XIV. INSURANCE

14.5 The Insurance Committee shall be established by the Superintendent to study and make recommendations concerning health, life, dental and vision insurance coverage. No more than two members of this bargaining unit shall be appointed to the committee by the Association. The Association may appoint up to six individuals to serve on the committee. Those six being the total number appointed by the Association for all bargaining units represented by the Association. The committee will make its recommendations to the Superintendent with copies to the Board at a date established by the Business Services Division's Risk Management and Employee Benefits Department, but no later than sixty (60) days prior to the bid date, or thirty (30) days prior to expiration of the current policy, if no bids are to be taken.

\*\*\*\*\*

DISTRICT REVISED PROPOSAL FOR THE *EDUCATIONAL SUPPORT PERSONNEL*  
COLLECTIVE BARGAINING AGREEMENT  
ARTICLE XII. EMPLOYEE BENEFITS

12.4 The Insurance Committee shall be established by the Superintendent to study and make recommendations concerning health, life, dental and vision insurance coverage. No more than two members of this bargaining unit shall be appointed to the committee by the Association. The Association may appoint up to six individuals to serve on the committee. Those six being the total number appointed by the Association for all bargaining units represented by the Association. The committee will make its recommendations to the Superintendent with copies to the Board at a date established by the Business Services Division's Risk Management and Employee Benefits Department, but no later than sixty (60) days prior to the bid date, or thirty (30) days prior to expiration of the current policy, if no bids are to be taken.

*Kimberly A. M. G...*

*Elaine Ardine*

*Sarah D...*

8/25/11

TA *Marianne Capozello*  
*[Signature]*  
*[Signature]*

*[Signature]*  
*[Signature]*

*Jenna Mc Cabe*  
*Mark A. [Signature]*  
*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*