



Bargaining Matters

Issue 16

February 16, 2018

On Friday February 16, 2018, the UTP and PUSD bargaining teams met for negotiations.

We began the session learning that Ms. Bernadette Griggs, Chief Business Officer, is on leave and will no longer be the Chief Business Officer. Former Business Officer, Eva Lueck, is serving as Fiscal Management Consultant until a replacement is appointed.

During the previous bargaining session, UTP received the District's Proposal #2 regarding a Supplementary Resignation/Retirement Plan. This session, UTP responded with its Counter-Proposal #2.

The UTP and PUSD teams are in agreement that any Supplementary Resignation/Retirement Plan would include the following provisions:

- UTP members who are 55 years old with 5 years of service or 50 years old with 30 years of service in PUSD would be eligible to take the Supplementary Resignation/Retirement Plan.
- UTP members who decide to resign/retire would receive 85% of their final pay, which would include the longevity service increments of 5% for 15 years and 5% for 20 years of service in PUSD. (something for which UTP negotiated)
- Eligible UTP members shall receive health benefits according to Section 15.10 of the Contract.
- The District shall arrange to have CalSTRS counseling with interested UTP members.
- Both UTP and PUSD shall commit their resources and influence to promote and maximize the number of eligible UTP members to participate in the Supplementary Resignation/Retirement Plan.

Two key issues that are separating the teams are:

1) The primary goal of the Supplementary Resignation/Retirement Plan - UTP proposed that the primary goal of an incentive plan is to generate a cost savings and that the two parties need to reach agreement of how much that cost savings should be in order to implement the plan.

2) The application of the cost savings - UTP proposed that since UTP members are generating the cost savings, UTP should be able to apply the dollars towards compensation with distribution rights, i.e. applied to salary and/or health and welfare benefits as determined by the Association.

Our next bargaining session is scheduled for February 23, 2018. The District will present its Proposal #3 and hopefully address the issues that separate us as UTP made it clear that we will not sign an agreement that does not meet or exceed the cost savings threshold.

It is important to note that in the 2014-2015 school year, the District and UTP agreed to a retirement plan that did not end up generating any cost savings, since the District offered it to all employee groups and reinstated positions instead of eliminating them. The District still has two more payments of \$784,894.98 (due on July 10, 2018, and on July 10, 2019) to pay for that plan. These payments are coming from the General Fund, which could have been better used to provide pay raises instead. UTP will not agree on another plan that may negatively impact its members that will continue to work for PUSD.

Further, the District stated that the cost savings generated by the plan would be used to pay down the District's deficit so as to avoid dipping into its Reserves. UTP members did not cause the deficit, but are being asked to sacrifice again and help solve the District's budget crisis.

We understand the situation, but it does not change the reality that our salaries have not kept pace with the cost of living and are among the lowest in Los Angeles County. The District must commit to right-sizing, which means that layoffs are necessary and unavoidable regardless of the District's fiscal mismanagement as Pasadena continues with over a decade of declining enrollment. That said, the District must also commit to making its employees a priority and planning for employee pay raises even as right-sizing takes place!