Bargaining Matters

Issue 17

April 6, 2018

On Friday, April 6, 2018, the UTP and PUSD Bargaining Teams met for negotiations. We began with a budget session to review the District’s 2017-2018 Second Interim Report. Fiscal Management Consultant for the District, Eva Lueck presented a budget overview of the District’s Second Interim Report that was issued on March 8, 2018. Although the District has been able to reduce its spending by $14 Million this school year, the District faces continued challenges managing the increased costs to CalSTRS, CalPERS, and Special Education, while the trend in declining enrollment is not projected to end anytime in the near future. The District will have a Qualified Certification for its 2018-2019 Budget but has concerns for both the 2019-2020 and 2020-2021 budgets. Continuing into next school year, we should anticipate more reductions. The District is hoping to explore options that could generate income through property/asset management.

It is apparent that the District’s Fiscal Stabilization Plan provides for fiscal stabilization ONLY in fiscal year 2018-2019 and not for the subsequent two fiscal years. This raises a red flag alert for further expenditure reductions in 2019-2020 and 2020-2021. This fiscal reality makes a salary schedule increase for District employees less likely. This is exactly why United Teachers of Pasadena has proposed that the District agree to pay for the increased cost of Health & Welfare Benefits for the next three-year period. This is likely the only sure increase to “total compensation” in the next three years. This is financially doable because in the first year the increase is projected to be 2% or less. Of course, the District will be able to anticipate these costs in advance of adopting its annual budget over this three-year period and budget accordingly. Employees can buy into the notion that a salary increase is uncertain over this three-year period. At the same time, employees will see the District’s commitment to pay the increased cost of Health & Welfare over this same three-year period to be a clear message that PUSD employees have not been forgotten and that employees are among the District’s top priorities. In the absence of this three-year commitment, the District’s employees will have been forgotten!

Memorandum of Understanding – Supplemental Pay for JROTC Teachers

UTP presented its Counter-Proposal #1 for a Memorandum of Understanding (MOU) regarding supplemental pay for the JROTC unit members. The two parties reached an agreement on the MOU, which was sent for your information on April 9. The Teams agreed to incorporate the language of the MOU into the new Contract no later than December 14, 2018.
Article XIV, Salary and Salary Schedules Rules and Regulations

The District provided its Counter-Proposal #3 regarding Salary Schedule Rules and Regulations (Article XIV). The District stated that it is unable to provide a salary schedule increase and that it could not make any changes to restructuring the Child Development Salary Schedules for the 2017-2018 school year. The District stated that although it wished it could provide a pay raise and restructure the Child Development Salary Schedule, the financial situation the District faces does not allow for any additional or new expenditures. Accordingly, even if the Teams reached an agreement, the Los Angeles County of Education (LACOE) would not approve the pay raises. Therefore, the two parties signed a Tentative Agreement that brings closure to the matter. The Tentative Agreement was sent for your information on April 9. The Tentative Agreement will be presented to the membership for ratification during April 23-25, 2018.

MOU – 2017-2018 PARS Supplementary Resignation/Retirement Plan

At the previous bargaining session, the District rescinded its offer of the Supplementary Resignation/Retirement Plan (SRRP). UTP stated that it would continue to negotiate the matter should the District decide to bring it back to the bargaining table. A few days prior to this bargaining session, the District informed UTP that it wished to add the SRRP onto the day’s agenda. As you are aware from the joint communication and press release issued by the Teams, a MOU was reached to offer the plan. The MOU was sent for your information on April 9.

Eligible UTP members should have received individualized information from Public Agency Retirement Services (PARS) within the last week. The District has arranged for a CalSTRS counselor to meet with members who are considering taking the incentive.

1. Workshop: CalSTRS
   a. April 18 at 3:30-4:30 p.m. at the PHS Cafeteria
   b. April 25 at 3:30-4:30 p.m. at the PHS Cafeteria

2. Orientation: Supplementary Resignation/Retirement Plan
   a. April 20 at 3:30-4:30 p.m. at the PHS Cafeteria
   b. April 23 at 3:30-4:30 p.m. at the PHS Cafeteria

3. Workshop: Public Agency Retirement Services
   a. May 3 at 3:00-5:00 p.m. at the PHS Cafeteria

Article XV, Health and Welfare Benefits

UTP presented its Proposal #1 regarding Health and Welfare Benefits (Article XV). In 2015, the District agreed to pay for any increased costs to our health and welfare benefits plans through September 30, 2018. Since our Agreement is expiring, Health and Welfare Benefits (Article XV) is open for negotiations. The projection for the renewal of the 2018-2019 health plan is between 0.9% and 1.2%, according to the insurance broker for the District. UTP proposes that our monthly out-of-pocket rates remain the same for 2018-2019 through 2020-2021. In addition, UTP proposes that the District include the following three provisions to the Delta Dental Plan, which would give us parity with the other employee groups of the District:
1. Diagnostic and Preventive
2. Prosthodontic Services
3. Orthodontics

The District stated that it will need to review the proposal and will respond at the next bargaining session on April 30, 2018.

**Seven-Period Day Discussion**

The District stated that it has had requests from parents, teachers, and administrators to have a Seven-Period Day at some of the secondary sites. Initially Eliot Arts and Sierra Madre Middle Schools had a Seven-Period Day in 2016-2017. Then, the District informed UTP that all secondary sites would implement a Seven-Period Day. Now, during the discussion, we learned that only some of the schools have an interest in implementing a Seven-Period day. UTP asked that the District provide the names of the schools that are interested and the reason(s) why. The District agreed to survey the secondary sites for that information so that we can continue the discussion at the April 30th bargaining session.