BACKGROUND / SUMMARY

On April 7, 2015, the Board of Trustees received initial bargaining proposals from the Hartnell Community College District and the California School Employees Association (CSEA) Chapter 470 for a successor collective bargaining agreement to the one that ran to June 30, 2015. Both parties proposed to negotiate, among other things, compensation and retirement benefits to comply with the requirements of the Public Employees’ Pension Reform Act of 2013 (PEPRA).

Negotiations immediately ensued, and the parties reached a Tentative Agreement on the PEPRA issues on July 2, 2015. The CSEA ratified this Tentative Agreement at its membership meeting on July 6, 2015.

The agreement establishes that, effective July 1, 2015, the District will no longer pay the Employer Paid Member Contribution (EPMC) to the California Public Employees’ Retirement System for bargaining unit members covered as classic or new members of PERS, that those employees will pay their own employee retirement contribution to PERS, and that the District will increase the salary schedule by seven (7) percent across the board to compensate for this change. It is to the mutual benefit of all parties to ratify this agreement now so that the PEPRA changes effective July 1 can be accomplished for July paychecks.

The overall implication of moving the PERS contribution from an employer to an employee liability, and augmenting the salary scale accordingly, is expected to have a budget impact of approximately $53,000 in the first year. The cost to the District will increase each year based on step increases and COLA provided.

Tentative Agreement and proposed salary schedule reflecting 7% increase are attached.

RECOMMENDATION

Ratify the Tentative Agreement on PEPRA and PERS contributions.
Hartnell Community College  
and the  
California School Employees Association, Chapter 470  

TENTATIVE AGREEMENT

The Hartnell Community College and the California School Employees Association, and its Chapter 470 agree to the following in order to implement effects of the Public Employees’ Pension Reform Act of 2013 (PEPRA) and related Public Employees’ Retirement Law (PERL).

1. To eliminate Article 9 Section 8. PERS Contribution:

Effective July 1, 1995, the District contribution toward any increase in the current statutory PERS contribution rate shall not be automatically adjusted upward but shall instead be subject to negotiations as part of the total compensation package.

Effective July 1, 2015,  

2. The CSEA salary schedule shall be increased by seven percent (7%), across the board.

3. CSEA bargaining unit members identified as “Classic Members” under the PEPRA shall pay the employee share of the PERS contribution equal to seven percent (7%), effective July 1, 2015. New members also will pay their employee share of the PERS contribution, as required by PEPRA.

For the District:  

For the CSEA:

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