

2021-2022 PSEA Reopener Agreements Overview

Units I and II

The PSEA Negotiations Team presents to you our PSEA/PUSD Unit I and Unit II 2021-2022 Reopener Tentative Agreements for ratification. These 2021-2022 Reopener Agreements are the product of nine months of negotiations, coupled with extensive research and presentation by the Negotiations Team. As with any Agreement, both PSEA and the District had to make compromises to reach these Agreements. While we did not get everything we wanted, we are very pleased with the improvements we have won, and we believe these Agreements break new ground for PSEA. Below is an overview of the various changes contained in these Agreements:

Wages

We negotiated an across-the-board increase of our salary schedules of **4.0%** for the 2021-2022 School Year. PSEA believes this is the largest wage increase that any classified employees have negotiated in San Diego County this school year. We also won a commitment that if any other group receives a wage increase of more than 4% for 2021-2022, PSEA-represented employees would automatically receive that additional percentage amount.

With this Agreement, PSEA has now gained across-the-board wage increases of nearly **10.4%** in the last 3 ½ years (from July 1, 2018 to the present) for all PSEA classified employees!

On top of that, have also won a guarantee that the District will fund the remaining four years (Years 3 through 6) of the Classification Review Cycle, up to a total maximum of \$1.3 million.

In addition, we have secured a commitment that the District will commission an external Salary Study during this school year, which will help form the basis of our wage negotiations for the upcoming successor negotiations.

We have also agreed to move Unit II classifications to the Unit I non-EPMC schedule, effective January 1, 2022. Historically, Unit II classifications have been paid anywhere from \$0.05 (5¢) to \$0.19 (19¢) per hour less than Unit I positions on the same Range. With this change, we have now fixed that inequity, resulting in an additional average increase for Unit II employees of 0.38% (for a total of 10.8% in increases since July 1, 2018).

Finally, we also raised the pay of the lowest paid classifications in both Unit I and Unit II to conform with minimum wage. With these Agreements:

- Noon Duties, Crossing Guards, and Food and Nutrition Assistants I will be moved to Range 17;
- Program Aides – ESS/ASES, Lifeguard/Swim Instructors, and Food and Nutrition Assistants II will be moved to Range 18; and
- Food and Nutrition Assistants III will be moved to Range 20.

Health & Welfare

We have agreed on a transition to a new Health & Welfare model, starting in the 2023 Plan Year, that guarantees adequate funding for coverage of dependents, improves our post-retirement health benefits, and makes other improvements.

The new model is based on a cost-sharing model by which the District agrees to pay 100% of the cost of Employee Only coverage, and 80% of the cost of HMO Employee + 1 and Employee + Family coverage. By

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shifting to a cost-sharing model, PSEA has secured an additional \$2 million in guaranteed funding for Health & Welfare benefits (prior to this Agreement, we were negotiating for those additional funds on a year-by-year basis). PSEA calculates that this model will also help stabilize the premiums of employees who ensure dependents and, in some cases, will result in a reduction of those premiums.

This Agreement also significantly improves the Post-Retirement Health Benefits for our members. Specifically:

- Unit I employees will now qualify for District-paid post-retirement benefits after 10 years of service (currently Unit I employees have to wait until 15 years of service), to match the current eligibility of Unit II employees;
- Unit II employees will receive a greater District contribution toward benefits after 15 years of service (80% after 15 years instead of the current 75%) and will receive an additional increase after 17 years of service (90% after 17 years, instead of the current 75%) to match what Unit I employees currently receive.

Other improvements we won in these negotiations are:

- Unit I benefitted employees who opt out of medical benefits will now be able to elect dental and vision benefits for themselves for free (currently the cost of these benefits is deducted from the employees' opt-out funds) and will also be able to elect dental and vision benefits for their dependents and pay only 20% of the cost of those benefits (currently, Unit I employees have to pay 100% of the cost of dental and vision benefits for themselves and their dependents).
- For both Unit I and Unit II, employees who do not qualify for the District-paid post-retirement benefits will be able to purchase those post-retirement benefits after only five years of District service (instead of the current ten (10) years).

As we have mentioned throughout these negotiations, our current Health & Welfare model is an outlier in having employees who are ensuring only themselves also receive cash-to-warrant (which, unlike wages, is not PERSable). For a number of years now, the District has communicated its desire to phase out participating cash-to-warrant. In this round of negotiations, the District insisted we address this issue as part of the larger Agreement. PSEA and the District therefore spent considerable time negotiating how to minimize the impact on affected employees of phasing out participating cash-to-warrant. Under these Agreements, employees who are currently receiving participating cash-to-warrant will have the choice of either taking a buy-out in January 2023 of 225% of their 2022 participating cash-to-warrant funds (up to a maximum of \$5,625) or accepting a three-year phase-down of these funds (100% of their annual participating cash-to-warrant in 2023, 75% in 2024, and 50% in 2025, with those funds going away starting in 2026). The phase-down and buy-out are equal in value, and provide affected employees with the equivalent of 2¼ more years of cash-to-warrant, starting in 2023.

Next Steps

These Reopener Agreements are for the final year (2021-2022) of our current 3-year Agreements, which expire on June 30, 2022. PSEA and the District will be sunshining our initial proposals for Successor Agreements in January 2022.