

2010 - 11 Bargaining Update #1

The VTA Executive Board directed the Bargaining Team to pursue a Retirement Incentive Plan with the District. In late October, a letter was sent to the District requesting that the VTA Bargaining Team and the District try and come up with a plan.

Both Bargaining Teams met in November and early December and came up with a Plan. It was approved by the VTA Executive Board on December 7th and the VUSD Board on December 9th.

The Memorandum of Understanding below gives the details of the 2010-11 Retirement Incentive Plan.

Memorandum of Understanding
Between the
Vacaville Teachers' Association
And the
Vacaville Unified School District

Concerning the establishment of a Year-End Retirement Incentive Plan.

The Vacaville Unified School District and the Vacaville Teachers Association hereby do mutually agree to the following language which describes the practice and process for the establishment of a Retirement Incentive Plan. This agreement includes the areas of plan goals, eligibility, participation requirements, incentive payments, timeframe, and retirement medical benefits.

For the 2010-2011 school year, the Vacaville Unified School District is offering a Retirement Incentive Plan for Certificated Non-Management Employee (Vacaville Teachers Association Unit Members). The plan goals are:

- 1) to reduce certificated staffing through voluntary retirement,
- 2) to reduce the District's obligation for contracted personnel expenses, and
- 3) to minimize future lay-offs.

This Retirement Incentive Plan is structured and will be funded by the 2010 Federal, one-time, Jobs Bill funding.

1.0 Eligibility

Unit members are eligible for the Retirement Incentive if they:

- a) are employed by the District as of December 9, 2010 (date of Board of Education adoption),
- b) have at least five (5) years of District service as of June 30, 2011, and
- c) are eligible to retire under STRS (age 55 with 5 years of STRS service, or age 50 with 30 years of STRS service) as of June 30, 2011.

2.0 Participation Requirements

- 2.1 Thirty-five (35) or more unit members must enroll in the plan by the enrollment deadline of February 11, 2011, at 5:00 pm, in order for the incentive to go into effect. Participating unit members shall submit all required enrollment materials and District Letter of Resignation to the Human Resource Office on or before this deadline. As of the enrollment deadline, resignations of participants are irrevocable and may not be rescinded unless the District withdraws the PARS incentive (item 2.2 below).
- 2.2 If the level of participation acceptable to the District (35 unit members) has not been reached as of the enrollment deadline of February 11, 2011, the District may withdraw the retirement incentive, provided it notifies enrolled unit members of the withdrawal on or before February 28, 2011. If the District withdraws the incentive, resignations will be automatically rescinded.
- 2.3 Participation in the retirement incentive requires:
 - 2.3.1 Submission of required PARS enrollment materials and District Letter of Resignation to the District on or before February 11, 2011, and
 - 2.3.2 Resignation from District employment after completing the 2010-2011 school year effective on or before June 30, 2011.
- 2.4 Participating unit members shall not be eligible for any other District sponsored retirement/notification incentives for the 2010-11 school year.

3.0 Incentive Payments

- 3.1 If thirty five (35) eligible unit members have enrolled in the plan, each eligible unit member, under this agreement, shall receive an annuity, funded by the District, equal to fifty percent (50%) of their 2010-11 final contracted salary.
- 3.2 If forty-five (45) or more eligible unit members have enrolled in the plan, each eligible unit member, under this agreement, shall receive an annuity, funded by the District, equal to sixty percent (60%) of their 2010-11 final contracted salary.
- 3.3 For purposes of this plan, final contracted salary shall be defined as the 2010-2011 Contract Salary multiplied by the participant's current FTE (full-time equivalence) as reflected by the participant's current salary schedule placement.
 - 3.3.1 If a unit member is contracted on a part-time basis for the 2010-2011, the annuity calculation shall be pro-rated by the value of their current contract terms. (For example, if item 3.1 occurs, a .8 FTE would receive a funded annuity equal to 50% of 80% of their 2010-11 contracted salary. If item 3.2 occurs, a .8 FTE would receive a funded annuity equal to 60% of 80% of their 2010-11 contracted salary.)
 - 3.3.2 The final contracted salary does not include any non-contracted income, extra duty earning, stipends, etc.
- 3.4 The amount of monthly cash payment shall be fixed upon annuity purchase date and shall not be subject to increase thereafter.
- 3.5 The choice of form of payment (and the choice of payment beneficiary if choosing a joint and survivor form of payment) shall become final upon February 11, 2011 and shall not be subject to change thereafter.

4.0 Timeframe

Dates for participation: Application period will be from January 3, 2011 - February 11, 2011. The Retirement Application and an irrevocable Retirement letter (effective on employee's last contracted date) must be submitted to the Human Resource office by 5:00 pm February 11, 2011.

5.0 Retirement Medical Benefits

If a unit member has at least eighteen (18) years of District service by their last contracted day of employment, they may choose one of the following:

a) Maintain the current contractual health benefit retirement provisions. (Article 5.4 in the VTA Contract and its components)

OR

b) Three year, 100% district-paid, medical coverage, subscriber only, of the CALPERS plans, excluding PERS Care.

OR

c) An additional \$12,500 one -time cash-out to be taken in a one time payment in January 2012.

6.0 The Retirement Incentive Plan is offered for 2010-2011 only. There is no expectation that this or any other Retirement Incentive Program is to be offered next year or other foreseeable years.