

**CHULA VISTA ELEMENTARY SCHOOL DISTRICT  
BARGAINING UPDATE  
DISTRICT NEGOTIATIONS WITH CHULA VISTA EDUCATORS**

**No. 3**

**September 24, 2008**

**NEGOTIATIONS UPDATE**

Negotiations resumed with CVE on Wednesday, September 24, 2008.

- There was a brief discussion regarding the newly-signed state budget. The District invited a CVE representative to attend a budget briefing by School Services of California on Thursday, September 25, 2008.
- The District presented drafts #4 and #5 of the common calendar for 2009-10. CVE will meet with other South County school districts' teachers associations. Attached is the latest proposed calendar.
- The bargaining teams reviewed job descriptions for SDC, RSP, audiologist, permit teacher, and mentor teacher.
- CVE proposed extending the contract that expired on June 30, 2008, through December 31, 2008. CVE will bring a written proposal to the next bargaining session.
- There was also an update regarding the Public Employee Relations Board mediation regarding special education preschool teachers. Both parties expressed a willingness to negotiate preschool issues while this matter is pending further legal action.
- The District shared the outcome of the CVCEO vote to leave Voluntary Employee Benefits Association (VEBA) and the selection of health benefit plans. CVCEO voted 66% in favor of withdrawing from VEBA in order to reduce health premium costs for their membership. As discussed in earlier sessions, preliminary conversations with charter, confidential, supervisory, and management employees shows strong support to proceed with non-VEBA (directly purchased) insurance programs. With CVCEO, these groups represent more than half of all benefit eligible District employees.
- The bargaining teams discussed the September 8, 2008, letter from VEBA that formally notified the District and bargaining units that they will be subject to an insurance premium surcharge of four percent effective January 1, 2010, due to noncompliance with revised VEBA underwriting requirements, including:
  - Freeze (January 1, 2010) and eliminate (January 1, 2014) health insurance waivers.
  - Increase District contribution for Point of Service family rate to 65% (January 1, 2010) or eliminate the POS plan. Additionally the District will be required to discontinue any other health care plan for which it does not contribute 65% of the cost of family coverage (January 1, 2014).
- The bargaining teams also discussed the District's response letter dated September 19, 2008, wherein the District notified VEBA that due to VEBA's unilateral and material alteration of the District's obligations, in direct conflict with the District's bargaining unit agreements, the District plans to terminate its participation in VEBA. The proposed changes in the VEBA plan restrict the opportunity for employees and the District to negotiate regarding the level of District contribution and employee participation in health benefit plans.

- The District team explained that its response was sent last week due to the contractual obligation to respond to VEBA's formal notification within 45 days.
- The District also noted that the new VEBA participation and funding mandates would result in increased health care costs of more than \$3,000,000 to the District and more than \$550,000 to District employees and would eliminate access to health care waivers (currently received by 477 employees) for all staff. (See attached charts for employee savings.)
- The District shared that the availability of less expensive non-VEBA health care plans makes withdrawal from VEBA financially beneficial for all concerned.
- CVE stated that its Representative Council has voted to remain in VEBA at this time. However, CVE will hold two general information meetings with representatives from both VEBA and Barney & Barney to provide information to its members regarding proposed health care plans for 2009. CVE further stated that the Representative Council could change its position based on membership input.

Future negotiations are scheduled for September 29 and October 21, 2008.

### **Bargaining Team Members in Attendance**

#### **CVE BARGAINING TEAM**

Mary Ellen Berumen  
Barbara Dunwoodie  
Kathleen Fernandez  
Carla Kriss  
Peg Myers

#### **DISTRICT BARGAINING TEAM**

Tom Cruz	Leonard Hernandez
Peter Fagen	Gloria McKearney
Susan Fahle	Sandra Villegas-
Diana Godfrey	Duvanich

**Prepared by Human Resources Services & Support**

**September 24, 2008**