

The President's Voice

CONTRACT NEGOTIATIONS

On September 22, 2005, OSEA Chapter 1 reached a tentative agreement with the Eugene School District on a new two year contract.

As I look back on the last eight months of negotiations I must tell you how proud I am of the team that worked so hard for all of you.

The team consisted of **Kathie Tagwerker**, Food Service Coordinator I, **Kathy Wiebke**, Night Custodian, **Curt Smith**, Custodial Maintenance Coordinator II, **Ed Lamadore**, Senior Groundskeeper, **Theresa Shelby**, Human Resources Assistant, **Joann Smith**, Instructional Assistant, **Tracy Garisto**, School Bus Driver, **Harlan Coats**, Safety Specialist, **Rick Shidaker**, OSEA Field Representative and myself. (Harlan and Tracy were unable to complete negotiations due to personal and professional reasons. My thanks to both of them for the time they were able to serve.)

During times of contract negotiations the process itself can be overwhelming and intimidating. For individuals who are new to the negotiations process and the site based decision system, it can assault a person's senses when first beginning to sit at the table. What impressed me most about this team, which was made up of four new members, was their willingness to speak up and express their opinions and concerns for the classified employees in this district. They all seemed to possess the understanding that, while at this table, they are all on equal footing with our district management. Typically this is not something new members will recognize until a second or third round of negotiations. This team however, was more than ready and worked hard at every negotiations session.

We will be completing some work with the district on October 12, 2005 and as I stated in my earlier e-mail, will be preparing the information to go out to you, the members.

Once again, I want to express my thanks to those who served on this team. I am honored to work with folks who are so dedicated and professional.

Jill Simmons, Chapter 1 President

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A LABOR UNION STORY

From the Eugene-Springfield Solidarity Newsletter

"May Day: The Original Labor Day. Workers Died Fighting for the Eight-Hour Day"

May Day, the first of May, is celebrated worldwide as a holiday honoring workers and organized labor. And while it's little remembered in America today, it originated here.

In 1884 a coalition of labor unions, the Federation of Organized Trades and Labor Unions, the ancestor of the AFL, began a campaign to establish the eight-hour day as the standard for American workers. This campaign pursued both political and workplace organizing, and set May 1, 1886 as the deadline for general adoption of the eight-hour day.

On May first in 1886, organized workers in Chicago, where the eight-hour day had not yet been established, went on strike. At the McCormick Reaper Works, on May third, the police attacked the striking workers, and six were killed. In response, workers held a protest rally in Haymarket Square the next day. The protest was peaceful until it's end late that night, when police moved in to send the remaining protesters away. A bomb was thrown which killed several of the police, and also several protesters. More protesters were killed when the police began shooting into the crowd.

"We all just celebrated Labor Day, and I recently came across this story regarding Labor Day. I want to share it with you."
Jill Simmons

The bomb-thrower was never identified, but eight organizers of the protests were charged with inciting the murder of the policeman. All were convicted. Seven were sentenced to death. Four were executed, one committed suicide in prison, and two had their sentences commuted. In 1893 the surviving three [from the original eight] were pardoned.

The trial of the organizers inspired protests around the world, and ever since, May Day has been observed as Labor Day in many countries. The US government, perhaps to avoid attention to the events at Haymarket Square, has instead legislated for Labor Day to be observed in September, to commemorate an annual parade established by the knights of Labor in 1883.

PERS MATTERS

From the PERS website

FAQs: City of Eugene Case Implementation

Q1. What was the ruling in the City of Eugene vs. PERS case?

A. The Oregon Supreme Court concluded that the appeals were moot and dismissed the case because the Settlement Agreement and 2003 PERS Reform legislation resolved the issues in the case. The PERS Board and the original plaintiffs in the case entered into the Settlement Agreement in early 2004. In essence, there were no remaining issues for the Supreme Court to address that had not already been resolved by the Board's action and the Reform legislation. Those actions could not be challenged in this case, making the appeals moot.

Q2. What does this mean to retirees and current members?

A. The Settlement Agreement requires PERS to reallocate 1999 earnings to credit the Contingency Reserve with 7.5% of 1999 available income; complete funding the Gain/Loss Reserve to the 30-month assumed earnings funding goal; and recredit Tier One member regular accounts at 11.33% instead of 20%.

Although PERS is required to recalculate 1999 earnings crediting for Tier One members, PERS will credit the assumed rate, currently 8%, to Tier One accounts for 2003 and 2004 as a result of the recent Oregon Supreme Court decision in the Strunk case.

Tier One members who had PERS accounts in 1999 and have not retired will see little effect on their current account balances because crediting the assumed rate (8%) for 2003, to comply with the Strunk decision, will offset the reduction in 1999 crediting.

Tier One benefits will need to be recalculated for members who retired, withdrew, or received benefit payments after the 1999 crediting was effective (April 1, 2000). For the some 45,000 retired members affected, the change in benefits should be in the range of a 2% to 8% reduction.

More recent retirees could see an increase in benefits over their current estimated payments as a result of 2003 and 2004 earnings crediting.

Q3. When will PERS recalculate benefits for retirees and invoice for overpaid benefits?

A. PERS estimates that benefits need to be recalculated for roughly 45,000 members and beneficiaries and, at this point, that recalculation has to be done individually by experienced counselors trained in the numerous calculation methods. While the agency is working on automating elements of this process and adding staff to expedite the work, those resources are still being developed and will not be deployed for a few more months at least. The PERS Board must also consider the various overpayment collection options and provide related policy direction. The options were to have been outlined and evaluated for Board consideration at its September 23, 2005 meeting.

Q4. When will PERS pay the COLA for the years it was frozen?

A. The Oregon Supreme Court clearly held in the Strunk case that the COLA freeze imposed by the 2003 PERS Reform Legislation was unconstitutional. All members who retired between April 2000 and April 2004 that had their COLA

frozen are entitled to have those withheld amounts credited to them. Those same members, however, will also have received overpaid benefits as a result of the 1999 earnings crediting. Pending the Board's decision on how to collect those overpaid benefits, one of the agency's options under ORS 238.715(2)(c) is to offset the amount of the unpaid COLA benefits against the amount that the retired member owes in overpaid benefits. To preserve that option, PERS will not be repaying frozen COLA amounts before the September 23, 2005 Board meeting.

Q5. Does the Settlement Agreement affect Tier Two members?

A. Tier Two members could be minimally affected if the Board recredits different amounts to reserves as a result of the 1999 earnings recrediting.

PERS must reallocate 1999 earnings to credit the Contingency Reserve with 7.5% of 1999 available income and complete funding the Gain/Loss Reserve to the 30-month assumed earnings funding goal.

Q6. How can I determine how the recalculation will affect me?

A. The complexity of the retirement calculation and the limitations of the agency's existing information technology systems mean that the process to determine the impact on each individual member will take time. Many factors will affect the result of this recalculation (participation in the Variable Account, effective retirement date, benefit option selected) so no general rule can reliably be applied across all accounts.

Examples of the recalculation are posted on the PERS website for a retiree receiving \$2,200 a month based on 20 different retirement dates.

Q7. Will retirees need to recalculate their tax returns?

A. Affected members should consult with their tax professional for individual advice on how this process may affect their situation. In general, retired members may be able to offset the amount of overpaid benefits they repay in a calendar year against that year's taxable amount of benefits received, depending on their filing status and other factors.

Q8. What is the *White* case?

A. The case (*White vs. PERB*) is in Multnomah County District Court and deals with many issues related to the PERS Board entering into the Settlement Agreement and adopting the orders necessary to fulfill its obligations under that agreement.

Proceedings in the case were stayed until the Supreme Court issued its decision in the *City of Eugene vs. PERS* case. The *White* case is currently in the pleading stage.

Q9. Why would PERS complete implementing the Settlement Agreement (e.g., redo 1999 earnings crediting) before the *White* case is resolved?

A. The 2003 PERS Reform legislation and the Oregon Supreme Court decisions in the *Strunk* and *City of Eugene* cases have defined the parameters within which PERS can implement the Settlement Agreement. By its terms, PERS is now required to implement the rest of its obligations under that agreement and administer the law as it stands today. PERS staff will recommend that the PERS Board proceed as such.

CHAPTER MEETING

The General Chapter 1 meeting will be held on *October 20, 2005* at 4:30 p.m. We will be holding this meeting in the North Region at *North Eugene High School* in the Library.

Keytrain Tutoring & Assessment

There is no scheduled tutoring or assessment during the month of October. The next scheduled tutoring and assessment will be in November.

Tutoring:

November 3, 2005 from 3:00 – 6:00 p.m. in the Ed Center Tower Room
November 4, 2005 from 3:00 – 6:00 p.m. in the Ed. Center Tower Room

Assessment:

November 7, 2005 from 3:00 – 7:00 p.m. in the Ed Center Auditorium.

If you wish to sign up for one of these tutoring or assessment opportunities, please contact *Susan at OSEA, 485-1832.*

SICK LEAVE BANK/OPEN ENROLLMENT

Just a reminder to fill out your sick leave bank transfer form and return it to Linda Warner at Sheldon Life Skills Network by October 31, 2005. Remember, if you want to join and you miss this deadline, you will not be able to participate in the bank during the 2005-2006 school year. Questions, call Linda Warner – 687-3176, Jill Simmons – 485-1832, or Debbie Phillips – 687-3704.

Sick Leave Bank Forms
Due by 10/31/05
To Linda Warner
At Sheldon Life

**PERS
OVERVIEW WORKSHOP**

OSEA Zone IV has scheduled a PERS Overview for October 11, 2005.

We will be meeting at the Eugene School District Education Center, 200 North Monroe Street, in the Auditorium, starting at 5:30 p.m. This is a 2 ½ hour presentation, and dinner will be provided.

We are asking that you **RSVP at 1-800-252-6732**, so that we may have an accurate dinner count.

2005/2006

CHAPTER 1 OFFICERS

President:

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Ed Center:

Open

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Open

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TREASURER'S REPORT

General Operating Funds

Account Balance	
as of :	8/31/05
Business Shares	\$31.13
General Fund 22	\$ 3,497.19
Certificate Fund 42	\$ 7,457.31
Checking Account	\$ 347.24
Total	\$11,332.87

President's Release Funds

Account Balance	
as of :	8/31/05
Release Fund 21	\$13,317.87
Total	\$13,317.87