Tentative Agreement

Between

The Rio Hondo College Faculty Association/CCA/CTA/NEA

And the

Rio Hondo Community College District

March 14, 2005

Except as modified below, the undersigned agree to the continuation of their existing collective bargaining agreement:

1. **Duration: 3 year Agreement (July 1, 2004-June 30, 2007)**

2. **Salary**

2.1 The District will increase salaries for unit members by COLA plus two and nine hundredths percent (2.09%) for 2004-05; for 2005-06 and 2006-07 by COLA plus 0.5% if equalization is $250,000, one percent (1%) if equalization is $500,000, and 1.25% if equalization is $740,000.

3. **Retiree Health Benefits**

3.1 The vesting requirement for health benefits will be fifteen (15) years. For those current, regular employees who are vested or partially vested but who cannot complete the newly required number of years prior to the District retirement average age of 62, the District will make a transition exception for those who are age 62, meet the minimum requirements for STRS retirement, and are no less than 62 upon retirement from the District.

The fifteen years must be credited years of service that the regular employee worked with Rio Hondo. Purchased additional retirement service credit shall not be eligible as earned service. No partial credit will be available. The full fifteen years are required for the dollar amounts for coverage set out at the time of retirement. These requirements shall be the same for all regular employees in the RHCFA bargaining unit.

3.2 The coverage will be limited to the qualifying employee and one dependent that must be in dependent status at the time of the retirement (spouse or domestic partner). Dependents may not be changed after the date of retirement. In the event that PERS regulations will not allow this requirement and the retiree elects to change dependents, the retiree will be limited only to single party coverage.

3.3 Employees retiring prior to Medicare eligibility will be limited to PERS Choice (or the equivalent coverage outside of PERS) if the employee elects to insure a dependent; or PERS CARE (or the equivalent coverage) if the employee alone is insured.

3.4 Employees retiring on or after the age of Medicare eligibility will be limited to a Medicare supplement that brings overall coverage to the PERS Care Benefit levels (not necessarily PERS Care).

3.5 To be eligible for retiree health benefits, an employee must apply for Medicare at retirement when eligible. In the event that an employee is of Medicare qualifying age, is not eligible for Medicare A or B, and elects not to pay the required Medicare premiums, the District will only contribute up to $5000 annually towards the cost of health benefits.

3.6 Employees who are eligible for retiree health benefits at the time of retirement will be provided the option of electing health benefits or a lump sum buyout of $20,000 at time of retirement.

3.7 In the event that PERS disallows any portion of this agreement, the District and RHCFA agree to reopen to deal with the portion disallowed.

4. **Prefunding Election Required for New Employees**

4.1 New employees (those hired on or after the date of ratification) will be provided the option of electing retiree health benefits or waiving them. Those employees electing to participate in retiree health benefits will be required to pay five percent (5%) of the employee's salary for fifteen years or as otherwise determined adequate every three (3) years by a qualified actuary, who shall be appointed by mutual agreement of the District and RHCFA. It is intended that this five percent (5%) will cover half of the cost of prefunding the employee's postretirement health benefits. The District will have the responsibility of funding the remaining half by any system of funding the payment which the District may elect.

4.2 An employee may elect to defer the decision for up to five years but must have completed the entire required amount of the pre-funding payments within fifteen years.

4.3 If it is determined by the actuary as part of the three year review that the yearly contribution amount needs to be raised or lowered, that new amount shall be required of those already contributing. Any overage or underage, at the time of the actuarial study will be amortized and adjusted to the balance of the employee's contribution years. Employees, who have opted to not pay in during the first five years, will have a pay-in amount adjusted to cover the period up to the actual start date of paying in.

4.4 If an employee leaves Rio Hondo College for any reason prior to collecting retiree health benefits, he or she is entitled to the return of the amounts he or she actually paid into the pre-funding program.

5. **Health Benefits.**

5.1 The District would be willing to pay the dollar amount required for existing benefits in 2005 (up to $710.10 for single party coverage; up to $1,420.19 for two [2] party coverage; and up to $1,846.23 for family coverage) and to increase contractual dollar amount limits in 2006 and 2007 by an amount not to exceed a total of twenty percent (20%) of 2005 premiums. This twenty percent (20%) shall apply to single party coverage, two party coverage, and family coverage. These amounts shall be entered into the contract when they become known. Should the twenty percent allocated not cover the increased costs, then the District and RHCFA agree to reopen to allocate the additional costs between salary and benefits.

6. The District and RHCFA agree to modify the PERS resolution to assure compliance with our contractual requirements for vesting and general eligibility. The resolution would include the contractual agreements on contribution amounts for particular plans and set out the PERS minimum payments as the requirement for all those retirees who have not met the contractual requirements for retiree health benefits or who attempt to change dependents after retirement.

7. Any increase in STRS percentages required for the District will be negotiated— i.e. the add-on program for additional STRS benefits will be discontinued if legislation requires an increased contribution for the regular STRS program.

8. Calendar as presented (17weeks) for 2005-06, and 16 weeks for 2006-07 as a pilot program, assuming that the District is successful in getting approval for the 17 week format in time for the deadline to print the Fall 2005 class schedule (April 27, 2005). If the District is unable to make that deadline, we will proceed with a 17.5 week Fall 2005 semester, move to the 17 week semester for Spring 2006, and to a 16 week semester for 2006-07.

9. Early retirement incentive in a **side letter** only for those retiring after March 11, 2005 but not later than June 30, 2005 for 2004-05; and for those retiring in 2005-06 on or

after March 11, 2006 but not later than June 30, 2006 will receive thirty thousand ($30,000).

10. The District and RHCFA agree to distribute a joint letter to STRS retirees and potential retirees that will describe the advantages of SB1435 and offer to provide them assistance in qualifying if they elect to retire within the deadlines provided by STRS and the cash incentive set out in paragraph 9 above.

11. The Evaluation Committee appointed by the bargaining teams to review and update language within the Evaluation Article shall complete its review no later than May 15, 2005. The mutually agreed upon language will be integrated with the existing contract language. Should the Committee fail to complete its work by the above deadline, the language of the article shall remain the same.

12. The "Language Clean Up Committee" appointed by the bargaining teams to review technical changes within the collective bargaining agreement including the required changes necessitated by this Tentative Agreement shall complete its review and modification no later than May 15, 2005. Should the Committee fail to complete its work by the above deadline, the language of the existing agreement shall remain except as specifically contradicted by the tentative agreement.

For the District	For the Faculty Association
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March 14, 2005