BEFORE THE BOARD OF TRUSTEES
OF THE
COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
TULARE COUNTY, CALIFORNIA

In the Matter of: ) RESOLUTION NO. 2012-24
IMPLEMENTING A MAXIMUM )
ANNUAL DISTRICT CONTRIBUTION )
TOWARD THE COST OF HEALTH )
AND WELFARE BENEFIT PREMIUMS)

WHEREAS, present and projected reductions in state revenue allocated for funding for California community colleges continue to result in significant cuts in funding for the College of the Sequoias Community College District ("District") and necessitate that this Board of Trustees ("Board") consider all available options of expenditures; and

WHEREAS, the cuts in the College's state funding for 2011-12 totaled $4,101,216; and

WHEREAS, the Governor's budget for 2012-13 includes significant additional reductions for the College which will result in a projected loss of funding in the amount of an additional $2,715,269; and

WHEREAS, the District pays the total cost of all annual premiums to provide the full-time faculty represented by the College of Sequoias Teachers Association ("COSTA"), and their eligible dependents, with health and welfare benefits, including medical, dental, and vision coverage; and

WHEREAS, the District has continually provided these fully paid benefits despite persistent and unrestrained escalation in the District's annual per faculty member cost from a total of $14,769.68 in 2009-10; to $15,714.00 in 2010-11; and to $16,868.00 in 2011-12; and

WHEREAS, in an effort to contain the relentless escalation in these costs, the District's April 2010 initial proposal for its successor contract with COSTA specifically listed Article X on Employee Benefits and stated "renegotiate existing employee benefits;" and

WHEREAS, on July 22, 2010, the District provided COSTA with its revisions to Article X, whereby the District proposed that its maximum annual per employee contribution toward the premium cost for medical, dental and vision benefits be "capped" at the 2009-10 rate of $14,769.68; and

WHEREAS, in response to COSTA's requests, the District transmitted additional copies of its Article X proposal to establish the cap to COSTA's Chief negotiator on August 11 and again on September 8, 2010 and thereafter, the parties negotiated on 10 separate occasions between September 10, 2010 and February 4, 2011, when the District declared impasse; and

WHEREAS, on February 14, 2011, the District filed a request for impasse determination with the Public Employment Relations Board ("PERB"), including among the unresolved issues, its Article X proposal for a cap on the District's annual contribution toward medical, dental and vision benefits at rates in effect during 2009-2010; and on February 23, 2011, PERB granted the District's impasse request in its entirety; and
WHEREAS, when, after meetings with the PERB appointed mediator in the Fall of 2011, the parties failed to reach an agreement, the mediator certified the case for factfinding and a hearing was held April 12, 2012; and

WHEREAS, the District and COSTA received the advisory Factfinding Report on July 4, 2012, and after careful consideration of the recommendations contained in that Report, the District met with COSTA for post-factfinding mediation on August 23, 2012 and offered to increase its proposed maximum annual contribution toward medical, dental and vision benefits to the 2010-2011 rates, i.e., $15,714.00, rather than the 2009-2010 rates of $14,769.68, but COSTA did not respond to this proposal and the parties remained at impasse; and

WHEREAS, during the two years since the District first presented COSTA with its Article X proposal to cap the District’s maximum annual contribution for employee medical, dental and vision benefits, and throughout negotiations and the statutory impasse procedure, the District has maintained that the cap is critical to control spiraling increases in employee benefit costs and crucial to protecting the College’s fiscal solvency; and

WHEREAS, the Board has determined that it is in the best interest of the students, employees and public to implement the District’s proposal on Article X, Employee Benefits (attached hereto as Exhibit “A”); and

WHEREAS, the Board’s goals in implementing that offer are as follows: (1) protect the District’s solvency and (2) minimize any negative impact upon the students of the District; and (3) continue future negotiations in good faith and as mandated by law for a successor contract covering, among other terms and conditions, health and welfare benefits for all District employees;

NOW, THEREFORE, BE IT RESOLVED that the Board finds that for the ongoing fiscal solvency of the District, it is imperative to limit the relentless escalation in costs associated with providing faculty and their dependents with fully paid medical, dental and vision benefits beginning in the 2012-13 academic year and thereafter.

BE IT FURTHER RESOLVED that of the issues set forth in Factfinding Report dated July 4, 2012, this Board’s action is limited to Article X, Employee Benefits, and to that extent, the Board hereby implements the District’s proposal to modify Article X, Employee Benefits, by adopting a maximum annual per employee District contribution of $14,769.68 toward the cost of medical, dental and vision benefits for COSTA bargaining unit members effective November 1, 2012.

BE IT FURTHER RESOLVED, that consistent with protecting the District’s ongoing fiscal solvency, the Board hereby also adopts and implements a maximum annual per employee District contribution of $14,769.68 toward the cost of medical, dental and vision benefits for all management and confidential employees, as well as for members of the Board of Trustees, effective November 1, 2012.

BE IT FURTHER RESOLVED that the Board hereby directs the District administration to take the steps necessary to implement a cap on the District’s annual contribution for medical, dental and vision benefits at $14,769.68 per year and to ensure that any amounts owed in excess of the District’s maximum contribution for health and welfare benefits be paid by individual employees by way of automatic monthly payroll deduction.

BE IT FURTHER RESOLVED that the Board’s designee is directed to provide written notice of the contents of this Resolution to COSTA, and to each individual unrepresented employee of the District, said notice to be provided as soon as possible.
PASSED AND ADOPTED by the Board of Trustees of the College of the Sequoias Community College District on September 10, 2012, by the following vote:

AYES: Cardoza, Zumwalt, Sherman

NOES: Mann

ABSTENTIONS: None

ABSENT: Nunes

CERTIFICATION

STATE OF CALIFORNIA )
COUNTY OF TULARE ) ss.

I certify that the above is a true copy of Resolution No. 2012-24, adopted by the Board of Trustees of the College of the Sequoias at a meeting held on September 10, 2012.

DATED: September 10, 2012

BOARD OF TRUSTEES OF THE
COLLEGE OF THE SEQUOIAS CCD
COUNTY OF TULARE, STATE OF CALIFORNIA

By: Clerk of the Board of Trustees