



## Teachers Association of Long Beach, CTA/NEA

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# UPDATE

November 23, 2009

## EARLY RETIREMENT INCENTIVE UPDATE *DISTRICT VOTE SCHEDULED FOR EARLY DECEMBER*

District representatives met with the TALB Bargaining Team for an “informational” meeting to explain their plans regarding an early retirement incentive program. The good news is that the District is moving forward with a plan. Dating back to last school year, TALB has been encouraging the District to explore options and, if viable, implement a plan that will both provide an incentive and save money. They finally appear ready to proceed. However, the District has also made it clear that they are going to move forward unilaterally and implement a plan as they see fit. They are not considering alternate incentives to what they have already developed. We do hope they will at least accept some friendly input that will help their plan to succeed.

The plan, **which still needs School Board approval**, consists of an annuity that can be paid out over a minimum of 5 years to a maximum of lifetime, with numerous options in between. For example, a participant who retires with a final pay of \$76,500 could receive approximately \$760 a month for 5 years *or* about \$211 a month for life. The annuity is based on a District contribution of 60% of final salary for each participating employee. Each eligible employee will get a breakdown of options and what their payout would be based on *their* salary. The District plans to offer this incentive to certificated K-12 non-management employees. We have posted information on the District’s draft plan at [www.talb.org](http://www.talb.org) so you can see more detail. We have also posted the 2009 STRS retirement handbook. If approved by the School Board, you can expect to receive more information sent directly to you if you are eligible for the plan.

Will this incentive persuade a substantial number of future retirees to leave their jobs early? The District seems to think so. At this meeting the District would not say exactly how many additional employees will need to participate in order for the plan to move forward. They report that they want to make a decision once they have a firm number of participants. In other words, they are reserving the right to proceed with the plan or withdraw it, depending both on “how many” sign up and “who” they are. The reason for their unwillingness to give a firm number is that they believe there is greater savings in certain positions. If a potential retiree is in a job that will not be replaced, that retirement will result in greater savings than a potential retiree whose job requires a replacement. This logic works assuming the District has a plan on what they will cut next year. For example, at the secondary level their figures show they need to cut 36 jobs to save about \$1.5 million next year. But when we asked what programs the 36 positions will come from they were unwilling to respond. **Based on the consultant’s presentation, it looks like they will need to have at least a total of 210 folks willing to retire for the plan to go forward.**

Another key to success will be how effectively the District implements the plan. Right now they are considering a timeline that requires potential participants to decide between December 1 and January 15 whether or not they will participate. We have asked them to extend this timeline to allow folks time to communicate with STRS so they can make an informed decision. **We believe an extended timeline will increase participation in the plan and therefore increase the chances that it will actually be implemented.** We have also asked the District to assist with this process by setting up STRS counseling sessions in the District. Finally, we asked that the District allow participation in the plan to remain confidential until it is clear that the plan has enough participants and it will proceed.

The District reports that the main reason for the early retirement incentive is to mitigate layoffs. TALB supports this goal. It is important to maintain perspective that even if this plan is successful, the immediate financial savings are somewhat modest relative to the likely cuts that will be required with or without this plan. The next step is to see if the School Board approves a plan at their December 1<sup>st</sup> meeting.

## ORGANIZING TEAM PREPARES FOR CHALLENGES AHEAD

The TALB Organizing Team is meeting on a regular basis to prepare for the upcoming challenges that include possible layoffs and fighting off attempts to cut salary and health benefits. We had a great turnout in the recent Election and will need to continue to show our solidarity by participating in upcoming organizing events. We can keep it up by participating with colleagues in a great event that will show our strength, and honor our community and commitment to civil rights. For more information, read the backside of this flyer.

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# Martin Luther King Jr. Parade

**January 16, 2010**

**(Parade Report Time- 10:00 AM)**



**Celebrate Our Rights and Heritage!**

**Show That Teachers Care!**

Shuttle service is provided by Long Beach Transit from 8:00 –10:30a.m. Shuttles will pick up on PCH (in front of LBCC) and drop off at M.L.King, Jr. Avenue at 10<sup>th</sup> Street. Parking will be available at the Long Beach City College (Pacific Coast Campus) parking lot (enter corner of Orange and 19<sup>th</sup>).

See your Association Rep, call Vonnie Marino at TALB at 562-426-6433, or email at [vmarino@talb.org](mailto:vmarino@talb.org) to sign up.

**Invite your colleagues and your family!**

**You'll be glad you participated!**

**IF YOU HAVE QUESTIONS OR NEED MORE INFORMATION  
CALL US AT 562-426-6433 OR  
GO TO WWW.TALB.ORG**