



**MTA BOARD OF DIRECTORS MEETING
FRIDAY/SATURDAY DECEMBER 01, 02, 2006**

The MTA Board met recently in Natick. Selected highlights of the several dozen items on the agenda which may be of interest to MCCC members follow.

Friday Evening, December 1, 2006

MTA Employee Retirement Plan Committee Report: Former MCCC President Tom Parsons chairs the MTA Retirement Plan Committee. Phil serves on this committee as well. The committee approves retirement requests from MTA staff, recommends policy to the Board, and its investment subcommittee supervises the investment of the plan's funds with a goal of maximizing investment return so that the fund requires a minimum of dues dollar contributions. Tom presented the RPC's annual report to the board, which brought the news that the plan has done very well in this regard.

State Budget Outlook: With a governor who is hopefully sympathetic to state employees and to public education support, and with an improving economy, MCCC members might hope for better days ahead for financial support of the colleges and our salary structure. A presentation by Noah Berger, Executive Director of the Massachusetts Budget and Policy Center put a damper on those hopes. He noted that early in this decade the Massachusetts legislature cut hundreds of taxes. The result of these cuts exacerbated the effects of the recessionary years we have had recently, but perhaps worse, means that even with an improved economy the resources available to the legislature will not grow more than inflation. Since existing expenses grow at that rate, at least, and when one considers that the governor-elect and the legislature have several high priority items that do not include us, this is problematic. (We should be doubly thankful that the Senate initiated a higher education funding initiative, so that we are somewhere on that radar screen!)

Retirement COLA: Jack Flannagan, MTA Division of Governmental Services, gave a presentation on the efforts of the MTA and others to improve inflation protection for the pensions of our members in the state retirement plan (full-time members, largely). Right now the COLA protection is the lower of 3% per year or the CPI – effectively, 3% per year. And this only applies to the first \$12,000 of a pension. The math tells you that this is \$360 per year. It looks like there is good legislative support to increase this to the first \$16,000 – which amounts to an additional \$120 per year.

Jack noted that in November 1971, the COLA was based on the first \$6,000 of pension income, but this was at a time that the average teacher salary was about \$9,000. Thus a large percentage of the average pension income was covered. Clearly this has not kept pace with increases in pensions. PERAC, the committee which watches the state retirement system for the state, estimates that increasing the COLA base from \$12,000 to \$16,000 would cost at least \$91 million annually, and to increase it to \$22,000 the annual increase would be at least \$216M. In July 2006 the Blue Ribbon Commission on Pension Reform said that increasing the COLA base to one's full pension should be "considered" provided some benefit "reforms" are enacted. We all know that "good" pension systems (i.e. defined benefit systems like ours) are under attack throughout our society, in public service and the private sector. One more reason to keep the MCCC/MTA/NEA just as strong as we can.

MTA Employee Contracts: The Board ratified several recently-negotiated contracts with the unions which represent MTA employees.

Saturday, December 2, 2006

Annual Report of the PRIM Board: Former MTA Board member, and now retiree, Bob Brousseau, is the Teacher Representative to the PRIM Board (Pension Reserves Investment Management Board). This Board invests the billions of dollars the state has in the public employee pension reserves. The Board has done very well, in the top 10th percentile over the last decade. This fund is not fully funded, and the state plan is currently to achieve full funding by 2023. (Yes,

Philip Mahler
Board of Directors
District 44H
978 405 2531
Treasurer@MCCC-union.org

Sara Satham
Board of Directors
District 44H
617 228 2112
SSatham@BHCC.mass.edu



16 years from now – the goal used to be 2028.) Jack Flannagan in his report noted that PERAC said the COLA base could be increased to \$16,000 by extending this schedule to 2026.

Financial Reports: Kathy Conway, Director, Finance and Accounting, reported on the budget. Income for the MTA is exceeding expectations because of an increase in membership.

MTA 2006-2007 Legislative Package: Jo Blum, Governmental Services, and others presented the recommended MTA legislative package for the next session of the legislature (which begins January 1) made by the GRC (MTA's Government Relations Committee). Of special note is that this includes the ongoing battle to achieve pension and health insurance participation for our part-time faculty, including DCE faculty.) It also includes full creditable service for sabbatical leaves and increasing that pension COLA base to \$25,000, and a bill, jointly filed with the Massachusetts Federation of Teachers (MFT) that would send our higher ed contracts directly to the legislature for funding, once negotiated and ratified. Currently of course it must go through the 45 (or more) day process with the governor (A&F) and may be rejected at that time by the governor.

Encouraging Member Participation: The Board adopted a grant program to encourage locals which have not historically participated in the MTA annual meeting or the Williamstown summer leadership conference to attend.

MCAS: There was a good presentation on the likely, very negative effects of raising the MCAS passing score from 220 to 240. The predicted decrease in passing rates would average 30% but would rise to 42% for some minority groups. It is not clear whether the Board of Education has actually adopted the new score or not.

K-12 Contracts and other Issues: A report by Richard Sanders of Affiliate Services discussed some of the challenges being faced by our K-12 colleagues. In several places the school boards are stonewalling the union at the negotiations table. Good news was that although negotiations in Holyoke were very negative for a long time, and the school committee there was making outlandish demands, a reasonable settlement of 2-4-3-4 was recently reached.

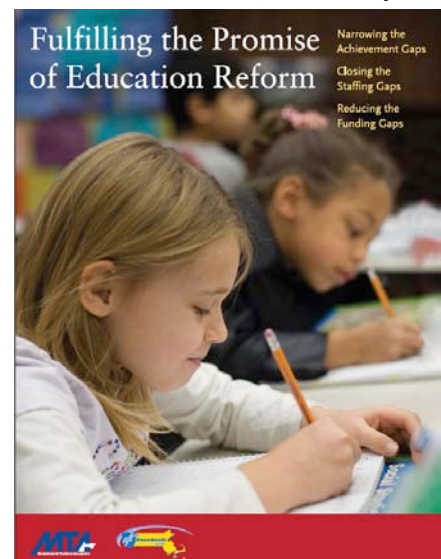
Richard noted that a coalition of students and unions met with Gov-elect Patrick on December 1 to discuss higher ed issues, at UMass-Amherst. This was attended by MCCC President Joe LeBlanc.

Support for Legislation: The Board voted to support H4157, An Act Relative to Teacher and Administrator Quality Throughout the Commonwealth. The MTA had some real concerns as this bill was being drafted, but its input was incorporated into the bill.

Ethnic-Minority Issues: The Board adopted the 2006-2007 MTA Ethnic-Minority Involvement Plan. It reaffirms its support for this issue every year by adopting an updated plan. The Board also approved a requested name change from the Minority Affairs Committee (MAC) to the Ethnic-Minority Affairs Committee (EMAC). Margaret Wong, QCC Chapter President, and a member of that committee, was present to support this change.

Fulfilling the Promise Document: The Board received copies of a new report which the MTA has been working on for some time, jointly with the AFT-MFT, with recommendations on what needs to be done in the area of "ed reform" – the ongoing legislative program related to public schools. The report is entitled *Fulfilling the Promise of Education Reform: Narrowing the Achievement Gaps, Closing the Staffing Gaps, Reducing the Funding Gaps*. It can be downloaded at the MTA web site (go to the MCCC web site, <http://mccc-union.org> and follow the MTA link at the bottom of the home page.

The meeting adjourned at 4:00 p.m.



Respectfully Submitted
Phil Mahler
Sara Satham
MTA Directors for the MCCC