

NEGOTIATIONS UPDATE

To date, there have been six (6) negotiation sessions with the PCCD and SEIU Local 1021 negotiation team.

PCCD has demanded that SEIU 1021 accept the following:

| DEMAND | PROJECTED COST - PROPOSED SAVINGS TO THE DISTRICT | |
|--|--|--|
| 4 days-10 hrs/day during the Summer Session Freezing all step and column raises 12 Furlough days for 2011-2012 Healthcare Cost Board Approved/Layoffs on 4/12/2011 | \$24, 000 \$213,266 \$715,375 \$35,769 * \$410,086 | |
| TOTAL ESTIMATED TAKEAWAYS | \$1,398,496 | |
| SEIU 1021 made the following proposed options: | | |

| Reduce over time by 20% Reduce Consultants Independent | \$74,000 (savings) |
|--|------------------------|
| Reduce Consultants-Independent Consultant/Contractors (ICC) by 20% | \$198,000 (savings) |
| SEIU estimated retirees for 2011 | \$600,000 |
| Total Cost Savings | \$872,000 |

The Union does not believe that the approved layoffs of our members are necessary and the Union is willing to work with the District to find the * \$410,086.

SEIU Local 1021 is waiting for the District's response to provide the Union with the estimated cost-savings if we freeze classified funded vacancies. If the District agrees to work with SEIU Local 1021 in putting pressure with the financial institutions to re-negotiate bond terms, it may also bring additional savings to the District.