

Union Update

OPEIU
Local 

for Local 8 Members at WELFARE & PENSION ADMINISTRATION SERVICES

July 18, 2016

VOTE on July 31st Employer Early Withdrawal Date:

On July 6th the membership voted and ratified our June 28, 2016 agreement that provides wage increases & pension changes. The agreement also allows for WPAS to withdraw from Western States Office & Professional Employees Pension Fund no sooner than 30 days after the agreement passed. **Your employer, WPAS is requesting to withdraw from Western States Office and Professional Employees Pension Fund by July 31, 2016, instead of August 5, 2016, allowing them to withdraw five (5) days earlier.**

What is the impact to my Pension benefits if WPAS withdraws 5 days sooner?

An earlier withdraw date would result in five (5) days less of contributions on your behalf from the employer, but the change should not make a difference on your overall benefit amount.

Why should I vote on this? In exchange for an earlier withdraw date, WPAS is willing to process a separate check for your \$1500 bonus that will be paid out on July 29, 2016.

What happens if I vote NO? This means that WPAS cannot withdraw any sooner than August 5th and WPAS will not process a separate check for the \$1500 bonus. The bonus would be reflected as a line item on your pay stub and added to the same paycheck as your regular wages for the pay period.

What is the current language in the June 28th Agreement? The language reads:

The parties agree that the Employer will withdraw from the Western States Office and Professional Employees Pension Fund no sooner than (30) calendar days from ratification of this Letter of Agreement.

(The 'Agreement' was ratified on July 6th)

What am I voting on? You will be voting either "YES" or "NO" to amend and change the "June 28, 2016 Agreement" to read:

1. The parties agree that the Employer will withdraw from the Western States Office and Professional Employees Pension Fund by July 31, 2016.

Voting "YES" means: I agree to let WPAS withdraw from Western States Office & Professional Employees Pension by July 31, 2016.

Voting "NO" means: I do not agree to let WPAS withdraw from Western States Office & Professional Employees Pension Fund by July 31, 2016.

Because of a short turn around time we are not holding any in-person meetings for this vote, but feel free to email Amanda, amanda@opeiu8.org, with questions. **Submit your vote by 5pm, Thursday July 21, 2016.**

What you need to know about your \$1500 Bonus and 401(k) Match:

Regardless of the vote all current bargaining unit employees will be receiving the agreed upon bonus. The agreement provides a one- time employer match of up \$750 if you divert some of your bonus to your Principle 401(k) plan.

FAQ:

1. When can I expect to receive the \$1500 bonus?

On the last paycheck of this month on the July 29, 2016 paycheck.

2. Will Union dues be calculated and deducted from the bonus?

No dues should be calculated off your bonus, but all applicable taxes will be deducted from your bonus accordingly.

3. What do I need to do if I want to contribute part of the \$1500 bonus tax-free for the one-time up to \$750 employer match into my 401(k) plan?

If you haven't enrolled in the 401(k) plan with Principal Financial, do so right away. You will need to notify payroll by July 25, 2016 the latest of how much you want to divert to allow time for completion of any enrollment and beneficiary forms.

4. How much of the bonus can I contribute to the 401(k) plan tax-free?

The amount you choose is voluntary and any money diverted from the bonus will be tax free. The max the employer will match for this one time contribution is up to \$750 dollars.

For example:

- a. If you contribute \$100 from the \$1500 bonus, then the employer will match \$100, for a total of \$200 to your 401(k) plan.
- b. If you contribute all \$1500, the most WPAS will match is \$750, a total of \$2250 in your 401(k) plan.
- c. If you contribute \$0, you will receive "no matching" from the employer.

5. Is there a form available to fill out to give to payroll to deduct money from my bonus?

There will be a form available soon to designate the amount of money you want to divert into the 401(k) for this one time up to \$750 match. WPAS will provide this form in the next day or so.

Beginning January 1, 2017 you can expect to receive:

1. 2.5% wage increase
2. WPAS will begin contributing \$0.25 per hour in your 401(k) retirement plan.
3. WPAS will begin matching up to \$.75 per hour for those who voluntarily contribute into the employer's 401(k) retirement plan.



Questions? Contact Amanda Montoya amanda@opeiu8.org

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**OFFICE AND PROFESSIONAL EMPLOYEES INTERNATIONAL UNION LOCAL 8
1-800-600-2433 or 206-441-8880 ★ Fax: 206-441-0207 ★ www.opeiu8.org**

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