

CITY OF
HAYWARD
HEART OF THE BAY

CalPERS Contract Amendments

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Proposed Contract Amendments

- ❑ Section 20516 “Employee Sharing Cost of Additional Benefits”
- ❑ Section 21547.7 “Alternate Death Benefit for Local Fire Members with 20 or More Years of Service”
- ❑ Section 20965 “Credit for Unused Sick Leave”



Process

- ❑ Any changes to the retirement program require an amendment of the City's contract with CalPERS
- ❑ Requires a Resolution of Intention to be adopted by Council
- ❑ Requires a 20 day period between public notice and adoption
- ❑ Requires amendment be adopted by Ordinance (June 21, 2011)
- ❑ Amendment effective first full pay period of Fiscal Year



Future costs for proposed Contract Amendments

- ❑ Requires future annual costs of any proposed contract amendment be presented at a public meeting
- ❑ Requires an actuary to be present to provide information as needed at the Council's public meeting at which the adoption of a benefit change will be considered
- ❑ Future cost estimates provided by CalPERS Actuary



Employee Sharing Cost of Additional Benefits

- Allows employee to pay a portion of the employer's share of PERS cost
- Police Unit agreed to pay additional 3% for FY 2012
- Fire Unit agreed to pay additional 6% for FY 2012 and FY 2013



Alternate Death Benefit

- ❑ Survivor benefit for Spouse and Children
- ❑ Must have 20 years or more service to be eligible
- ❑ Allows surviving spouse or children to receive monthly allowance in lieu of basic death benefit
- ❑ 0.442% of the 33.454% Employer Rate for Fire Unit



Credit for Unused Sick Leave

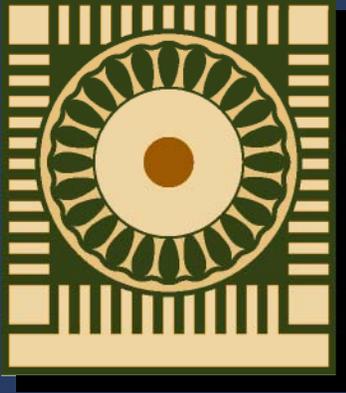
- ❑ Employee receives credit for unused sick leave towards years of service credit upon retirement
- ❑ Credit is at a rate of 0.004 year of service credit for each unused day of sick leave
- ❑ Must be certified by employer
- ❑ 0.611% of the 33.454% Employer Rate for Fire Unit



Summary

- ❑ Annual costs for new benefits is approximately \$173,000
- ❑ Fire Units paying for enhancement through permanent concessions of previous contractual agreements
- ❑ Additionally, cost sharing agreement in place for FY 2012 and FY 2013
- ❑ The Two Year total concession savings for Fire Unit estimated to = \$6.5M
- ❑ Savings from the PERS Cost Sharing component for Police and Fire for FY 2012 = approximately \$1.73M





Questions?

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