

Pursuant to current Memorandums of Understanding, potential givebacks will range as follows:

Bargaining Unit	Total Actual (FY 2017 – 2019)		Potential Raises and PERS Givebacks through FY 2020/21				Employee Paid Contribution	
	Raise	PERS Giveback	Raise		PERS Giveback		EE**	ER***
			Minimum	Maximum	Minimum	Maximum		
RPOA	12%	3%	12%	24%*	3%	6%		X
RPOA Supervisory	12%	3%	12%	24%*	3%	6%		X
RPAA	12%	3%	12%	24%*	3%	6%		X
RCFA	10.5%	2.5%	17%	21%*	7%	7%		X
RFMG	12.25%	2.5%	16.5%	20.5%*	7%	7%		X
IBEW	8%	4%	15.5%	15.5%	8%	8%	X	
IBEW Supervisory	8%	4%	15.5%	15.5%	8%	8%	X	
SEIU – General	10%	7%	13%	15%*	8%	8%	X	
SEIU – Refuse	10%	7%	13%	15%*	8%	8%	X	
Unrepresented	9%	4%	14%	18%*	8%	8%	X	

As a result of the above measures, SEIU, IBEW, and Unrepresented Tier 1 employees shall pay the full employee’s standard portion (EE) to PERS by 2021. Tier 1 Safety employees shall pay a portion of the required Employer Paid Member Contribution (ER) of pensionable income pursuant to the cost sharing provisions set forth in California Government Code Section 20516(f).

When Employer Paid Member Contributions (EPMC) are reported as compensation, it increases the base upon which retirement benefits are calculated. When an employee only pays on the employer portion of pension costs while the employee portion is paid for in part or in the entirety by the City, the City incurs additional pension expense as EPMC which is considered pensionable compensation. As a result, additional pension expense is calculated on top of the EPMC portion paid by the City; therefore, the City ultimately pays more in salaries & wages and experiences additional costs due to this arrangement.

FISCAL IMPACT:

There is no fiscal impact related to this presentation.

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 Approved by: Carlie Myers, Deputy City Manager

Approved as to form: Gary G. Geuss, City Attorney

Attachment: Presentation