



# Agenda Report

**TO:** BOARD OF DIRECTORS  
**FROM:** PAUL MORSEN, EXECUTIVE DIRECTOR  
JANNA MCKAY, SECRETARY TO THE BOARD  
**DATE:** OCTOBER 7, 2009

**SUBJECT: CHANGES IN CCCSWA EMPLOYEE BENEFITS**

## SUMMARY

At the September 24, 2009 Board meeting, The Executive Director reported that the CCCSWA contracts with the City of Walnut Creek for HR services which includes employee benefits. Like most cities and towns in the state they are grappling with lower revenues which affected compensation for its employees. As a result of recent negotiations with their employee bargaining groups the city and the bargaining groups have agreed to trim some costs. The Authority's salaries come from a different funding source and are not affected by salary actions in Walnut Creek. However, since we contract for the City's benefit package, changes in that area made by the city accrue to Authority staff. When these changes were announced at the September meeting, the Board requested further explanation of the changes for the CCCSWA staff.

## RECOMMENDED ACTION

1. This is an informational update only. No action is required.

## DISCUSSION

CCCSWA Employees job descriptions are placed within corresponding bargaining groups in Walnut Creek for the purpose of providing benefits that are different between the groups. Ashley Louisiana, Janelle Cameron and Janna McKay are assigned to the confidential bargaining group. Lois Courchaine and Bart Carr are assigned to the Professional bargaining group. Paul Morsen is not assigned to a bargaining group but must pay into PERS as does the City's Executive group.

The significant changes to salaries and benefits are as follows:

### Salaries:

- 2 year freeze plus 4 unpaid furlough days (equaling 1.54% of salary): Not applicable to CCCSWA Employees.

**Retirement (applies to both Confidential and Professional Units):**

- Elimination of 2% City contribution into 401(a) plan
- Employees begin paying .5% additional member share of PERS for 2009/2010 fiscal year (total of 1.25%) and an additional .5% in 2010/2011 (for a total of 1.75%)

**Health Care Cost Sharing:**

- Confidential Unit- employees pay 5% of health care premiums
- Professional Unit- employees pay a tiered % of salary toward health care premiums
  - Kaiser Single = .55% of salary
  - Kaiser 2 Party = .9% of salary
  - Kaiser Family = 1.3% of salary
- Deferral (for employees not taking health insurance) to deferred compensation reduced from Kaiser single to 70% of Kaiser single (both units)
- These contributions will be set up as pre-tax

**Other non monetary benefit changes to all CCCSWA employees are:**

- Allow usage of general leave accrual during first 6 months of employment
- Regarding required use of paid leave during waiting period, for Long Term Disability benefits, allow employee to retain up to 40 hours of paid leave on the books to qualify.

**Executive Group benefit changes (will be applied to the Executive Director):**

- Employees pay .75% additional member share of PERS (note: As the Executive Director is a contract employee receiving only PERS benefits, the ED's contract must be amended to reflect this change. Authority Counsel has been asked to prepare a contract modification which will be brought to the Board at the December Meeting).

These changes were explained to all the Authority's staff. Our employees understood the necessity of making these changes in the current economic climate. Their understanding is appreciated.