
September 16, 2011

MEA President

Dear Members,

This is one of those lengthy letters that needs to be read in its entirety. I would like to take this opportunity to address some concerns that have been brought to my attention and dispel a few rumors. In regards to the 2011-2013 MEA Memorandum of Understanding, the ratification sessions took place on September 12, 2011 at various times and locations. The final ballot count was 195 in favor of and 118 opposed to the new contract. The contract was then presented to City Council on September 13, 2011 and the City Council voted in favor of authorizing our City Manager to sign it. I have heard a variety of rumors and accusations regarding the ratification sessions as well as the tallying of ballots. Here are a few of those rumors and the facts behind them:

The Negotiation Team – Chief Negotiator Brian Niehaus, President April Hansen, Vice President Lou Enriquez, Past President Martha Santana, Director Anthony Maxwell, Director Angela Walton, Director Orville Echols, Director Steve Demmer, Director John Shipley (Alternate), Director Mike Cveyich (Alternate) and Former Director Art Lopez. Approximately 17 negotiation sessions took place with City Management until a tentative agreement was reached. The entire negotiation team agreed to support the contract and the entire Board agreed to support it as well.

“\$14 members were not allowed to vote” - As per the bylaws, you must be a full dues member in order to vote. That said, the opportunity to become a full dues member was provided at each session. If the member completed the form to become a full dues member, they were allowed to vote that day.

“A ballot box went home with a Board Director” – The final ratification session ended at approximately 10:40pm and the team departed at 11:00pm. The Board Treasurer was in attendance for the last session and took custody of the ballot box. The Board Treasurer is responsible for the Association finances, is bonded and insured and is an employee of the Board. Given the late hour and the City offices being closed, it was decided that the Board employee would keep custody of the ballot box as opposed to a Board Director who may have an invested interest.

“The ballot boxes were opened prior to the arrival of the ballot counters and witnesses” – The boxes were opened only after all of the involved counters and witnesses were present. The box ties were cut off in plain view of the counters and witnesses and there weren't any objections. The Official Counters were

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Director Stella Diaz, Director Orvilette Echols and Treasurer Jennifer Young. Witnesses were Past President Martha Santana, Director Angela Walton, Director Tony Maxwell and I. All present maintained their own tally count and there was unanimous agreement on all discussion. Upon reaching the final count, no concerns were voiced and the final count was accepted.

“Different information was provided at each session” - The same presenters were at each session, myself and Brian Niehaus of CEA, and the same materials were used. The draft MOU’s were duplicates as well as the proposal summary sheets and slide presentation. The depth of specific conversation varied at the sessions but the content was consistent. At no point did any of the Board Members in attendance voice concern about inconsistencies in the material to myself or Brian Niehaus.

It is incredibly challenging to disseminate information to such a diverse membership base because of the various work sites, hours and inconsistent methods of communication. That was the reasoning behind providing numerous ratification session locations and times. In a year of difficult economic times and challenging negotiation sessions, I felt it was important to provide as many opportunities as possible for ALL of our membership to attend. The Board and I are always open to suggestions on how we can improve operations and invite you to become more involved as a Steward or Board member.

Lastly, please review the attached for information regarding the modified Y-Rating policy.

Warmest regards,
April Hansen
MEA President

Y-Rating

“Y-Rating” occurs when an employee is being placed in a classification with a lower salary range than the one he/she is currently holding. For example, in lieu of a layoff, an employee may be placed in a lower-paying job classification in order to continue employment with the City. Y-Rating may also occur if an employee is demoted due to a reclassification to a lower-paying position because he/she is no longer performing the essential duties of his/her current classification.

In cases such as this, Y-Rating allows you to keep your current salary even though you are moving to a position with a lower salary range. You will remain at your current salary until the salary range of the new classification meets or exceeds your Y-rated salary. Salary ranges can increase with cost of living (COLA) or equity adjustments.

The Y-Rating policy will cease for budgetary cuts effective 6/30/2013. This is a 2 year extension that wasn't obtained by any of the other bargaining groups.

If your position is eliminated due to budgetary cuts BEFORE **6/30/2013** and you accept a job classification with a lower salary – you WILL be Y-Rated.

If your position is eliminated due to Department Reorganization and you accept a job classification with a lower salary – you WILL be Y-Rated. No change in the contract.

If your job classification and salary is lowered due to a Job Reclassification – you WILL be Y-Rated. No change in the contract.

Y-Rating Effect on CalPERS Retirement

The current retirement agreement with CalPERS and existing City employees provides a retirement formula that is based on the HIGHEST single year (consecutive 12-month period) of final compensation.. If you were to retire today, **that 12-month period could be the most recent 12-month period or a higher paying 12-month period 10 years ago as long as you worked for the City or another CalPERS agency.** CalPERS will use either your last 12 months **OR** you can provide the dates of the year with higher pay. This has been confirmed with Human Resources and the page attached is page 6 from the CalPERS Local Miscellaneous Benefits Booklet.

Contact information for CalPERS: 888-225-7377 or www.calpers.ca.gov

City Philosophy

The modification of the Y-Rating policy for budgetary costs is City-Wide and the City wouldn't budge on their intent to remove it. We were able to secure a 2 year extension – something that no other bargaining group acquired. This was one of two battles that we fought until the very last second. The City has stated that they have no intention of laying off employees in the foreseeable future and we will challenge any potential budgetary layoff should one arise.



Pay Rate

Pay rate is your base pay, paid on a full-time basis during normal working hours.

Final Compensation

Final compensation is your average full-time pay rate and special compensation for the last consecutive 36 months of employment (or 12 months if your employer has contracted with CalPERS to provide one-year final compensation). We use your full-time pay rate, not your earnings. If you work part time, we will use your full-time equivalent pay rate to determine your final compensation. If you think there was another period of 12 or 36 consecutive months during which your final compensation was higher, let us know when you apply for retirement. We will use that time period to determine your final compensation.

If your CalPERS service was coordinated with Social Security, you did not contribute on the first \$133.33 of your monthly earnings. So, when computing your retirement allowance, you must reduce your final compensation by \$133.33.

In accordance with Board regulations, certain items of special compensation earned during your final compensation period will be included in your final compensation. Contact your employer if you are unsure which items of special compensation can be included. Special compensation is additional income you receive for uniform allowance, holiday pay, longevity pay, etc., and is reported separately from your base pay.

Estimating Your Retirement Benefits

To estimate your future retirement benefits, the three factors - service credit, benefit factor, and final compensation - are added to a formula.

Service Credit (years)	x	Benefit Factor (percent per year)	x	Final Compensation (monthly, dollars)	=	Unmodified Allowance* (pension)
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But, an easier way to determine your benefits is to use the CalPERS Retirement Planning Calculator on our Web site, or have CalPERS calculate a retirement estimate for you. To request a retirement estimate, use the *Retirement Allowance Estimate Request* form online or contact CalPERS to have one mailed to you.

*The Unmodified Allowance is the highest allowance you can receive.

