

AGENDA NO. 13B
DATE 3/19/2008

CAYUCOS SANITARY DISTRICT
200 Ash Avenue
PO Box 333, Cayucos, CA 93430-0333
805-995-3290

GOVERNING BOARD
R. B. Enns, President
N. Raimondo, Vice-President
H. Fones, Director
R. H. McHale, Director
S. Lyon, Director

PERSONNEL COMMITTEE
SPECIAL MEETING MINUTES
MONDAY, MARCH 3, 2008, 3:00 PM

Personnel Committee Members Present:
Bud McHale, Director
Shirley Lyon, Director

Staff Members Present:
Bill Callahan, District Manager
Bonnie Connelly, Admin. Services Officer
Nancy Martin, Admin. Services Tech.

1. ESTABLISH QUORUM AND CALL TO ORDER

The meeting was called to order at 3:00 p.m.

2. PUBLIC COMMENTS

There were no public comments received.

3. DISCUSSION OF CAYUCOS SANITARY DISTRICT'S CALPERS RETIREMENT
OPTIONS WITH PROPOSALS FOR EMPLOYEE RETIREMENT ENHANCEMENTS

Administrative Services Officer Connelly's written report was received. The Personnel Committee meeting was scheduled for discussion and direction after employees were balloted regarding retirement benefits and consideration to amend the current CalPERS contract, which is 2.0% @ 55. Although all employees are in favor of a contract formula of 2.7% @ 55, 2.5% @ 55 will also be considered. Actuarial projections for Fiscal Years (FY) 2008/2009 and 2009/2010 were prepared for the District by CalPERS, from which Connelly prepared charts comparing the two possibilities with the existing contract. The employer contribution rate has been declining over the last four years and in FY 2008/2009, the District stands to be under budget by \$5,128 if no changes are made to the benefit formula plan. However, electing a plan of 2.5% @ 55 or 2.7% @ 55 shows budgetary impacts of \$4,420 and \$14,723, respectively. FY 2009/2010, as well as estimates for FY 2010/2011 and 2011/2012, show savings under the current contract, but impacts with the others being considered. Committee Members McHale and Lyon both commended Connelly on her preparation for the meeting.

To continue discussion at the next regular Board meeting, McHale suggested inclusion of information showing total annual, fully burdened District employee costs, including salaries, health benefits and retirement. Connelly indicated she would prepare a spreadsheet for that purpose. Additionally, various CPI indexes will be available for the Board when considering cost-of-living adjustments. Conducting a standardized salary survey would aid further review and allow District wages and benefits to remain competitive. It was conveyed by Manager Callahan that such a study would require planning and time and that nothing could be done until much later in the year.

4. ADJOURNMENT

The meeting was adjourned at 3:35 p.m.

Minutes recorded by: *Nancy Martin*
Nancy Martin