



# Possible Changes Coming for our Retirement!

In January Supervisor Elsbernd (District 7) announced he was putting a Charter Amendment on the June 2010 ballot. He has been meeting with leaders from SF Labor and recently with SEIU Bargaining Teams for discussion on his drafted language in a meet & confer process. If adopted, the changes would affect all employees in the SFERS, SF Employee Retirement System. We have already been successful in removing language which would have changed our right to bargain over payment of retirement contributions.

The potential changes & any amendments to the Charter must 1) be introduced at the Board of Supervisors Rules Committee, 2) referred to the full Board of Supervisors for comment & vote. IT REQUIRES SIX (6) VOTES TO PLACE THE CHANGES ON THE JUNE BALLOT. Next, 3) Election process begins with ballot arguments etc and 4) On June 8, SF registered voters decide.

As of February 1, 2010 this is what is proposed.

### CURRENTLY

“Employer normal costs” for pension (SF pays) are usually about ten (10) % except for two% paid by workers hired after Jan. 1, 2009. No monies are set aside for retiree health.

Retirements are calculated on a formula including an employee’s age, years of service and salary at highest twelve (12) months.

All SFERS employees contribute the same percentage amount despite having different benefit amounts at retirement.

Employer pays employee cost of retirement contributions, 7.5 % for most SEIU employees.

### ELSBERND CHANGES

Deposit the difference between the “employer normal costs” and 10% into the SF Retiree Health Care Trust Fund to defray future employer costs.

Changes the retirement calculations for NEW employees hired AFTER July 1, 2010 to include average of highest three (3) years which will mean an average four (4) % cut in retirements.

Establishes a nine (9) % employee contribution for NEW SFERS safety (police/fire) employees hired after July 1, 2010 who receive 3% at 55.

After the next contract (June 2011) ALL employees, including SEIU will pay 7.5% to the SFERS.

### LABOR/SEIU

Wants assurances of viability of SFERS, and a fair way to pay for retiree health care costs.

Supports changes which truly address “spiking” like indexing or capping the percentage increase in final year of employment.

Does not impact SEIU safety or MISC employees as they do NOT receive the higher benefit amount.

Most Unions negotiated a 7% pay raise in exchange for paying the 7.5% employee contribution.

**Please let them know WE support fair, pro-worker retirement reform.**

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**UPDATE to FOLLOW Thurs. Feb. 4 10:30a SF City Hall Rules Committee**