



All-Hands Meetings

October 24-26, 2023

Agenda

- State of the Districts Update (10 minutes)
- Legal Merger Updates (5 minutes)
- Staffing Updates (60 minutes)
 - Based on survey data received
- Real-Time Questions (15 minutes)

State of the Districts Update

- Overall financial health
- Proposed rate increases
- Ongoing employee engagement
 - Have State of the Team meetings and establish Q12 action plans
 - OD Team and engagement champions available to help
 - Accountability Index Survey planned for Nov. 2023
- Upcoming Capital Projects

Legal Merger Updates

- LAFCo Status
- Legislation & Name Change



Staffing Updates

- **Overview**

- What we're doing, when, and why
- Long-term benefit to district and employees
- Employees made whole or better, but not necessarily equal
- Many decisions being researched and evaluated
- Sharing what we know today but don't know everything yet
 - Board approval required on many elements
 - Will follow-up with anything we don't know ASAP

Staffing Updates: Medical Benefits

- **What We Know**

- Medical benefits will be provided by CalPERS once separate
 - Open enrollment in fall 2024 with coverage starting in Jan. 2025
 - Once we get closer, CalPERS will come onsite and meet with staff to review options/create smooth transition
- No high-deductible plan option but some plans are little or no cost to employees

Staffing Updates: Medical Benefits

- **What We Know**

- CalPERS plan premiums are lower than comparable County premiums

2024 Health Plan Examples (not all CalPERS plans shown here)	2024 CalPERS Premium	2024 County Premium
Kaiser HMO Individual	\$ 1,021.41	\$ 1,150.86
Kaiser HMO Family	\$ 2,655.67	\$ 2,942.98
Western Health Advantage Individual	\$ 807.23	\$ 857.86
Western Health Advantage Family	\$ 2,098.80	\$ 2,196.22

Staffing Updates: Medical Benefits

- **What We Know**

- SacSewer will recommend we contribute 80% of the Kaiser premium while employees will contribute 20%
- SacSewer will generally contribute more to offset your premiums

Category	SacSewer Subsidy	County Subsidy (Tier B)	County Subsidy (Tier A2)	County Subsidy (Tier A1)
Individual	\$ 817.13	\$ 686.30	\$ 1,148.80	\$ 826.90
Individual + 1	\$ 1,634.26	N/A	N/A	N/A
Family	\$ 2,124.54	\$ 1,756.98	\$ 1,148.80	\$ 826.90

Staffing Updates: Medical Benefits

- **What We Know**

- Monthly out-of-pockets examples

2024 Health Plan Examples (not all CalPERS plans shown here)	SacSewer Monthly Employee Cost	County Employee Monthly Cost (Tier B)	County Employee Monthly Cost (Tier A2)	County Employee Monthly Cost (Tier A1)
Kaiser HMO Individual	\$ 204.28	\$ 464.56	\$ 2.06	\$ 323.96
Kaiser HMO Family	\$ 531.13	\$ 1,186.00	\$ 1,794.18	\$ 2,116.08
Western Health Advantage Individual	\$ 0.00	\$ 171.56	\$ 0.00	\$ 30.96
Western Health Advantage Family	\$ 0.00	\$ 439.24	\$ 1,047.42	\$ 1,369.32

Staffing Updates: Medical Benefits

- **What We Know**

- Upcoming CalPERS medical informational sessions:

- Nov. 7th – 2 – 4 p.m. (NACY)

- Nov. 8th – 2 – 4 p.m. (Goethe)

- Nov. 9th - 7:30 – 9:30 a.m. (EchoWater Facility)

- Nov. 9th – 2 – 4 p.m. (EchoWater Facility)

- Nov 13th - 2 – 4 p.m. (Virtual)

- Nov. 20th - 2 – 4 p.m. (Goethe)

Staffing Updates: Medical Benefits

- **Pending Decisions**

- Late 2023: RFP distributed for additional ancillary benefits, such as life insurance, EAP, dental, vision, long-term disability, 401a, etc.
- Early 2024: Board reviews/approves staff's recommendations on CalPERS medical benefits
- Early 2024: Provide update on outcome of ancillary benefits RFP

Staffing Updates: Retirement Benefits

- **What We Know**

- SacSewer is staying with SCERS

- Years of services, retirement payment, and retirement tiers will remain the same
- Classic versus PEPRA employees will remain the same (pending legislation)

- County currently pays \$25/pay period for retiree health

- Employees will continue to have access to County money post separation but County will no longer contribute

Staffing Updates: Retirement Benefits

- **What We Know**

- CalPERS requires employers to provide employees retiree health benefits when using their medical benefits
- SacSewer will recommend we contribute the minimum employer contribution (MEC), which is anticipated to be \$164 in 2025

Year	Employer Monthly Contribution
2020	\$139
2021	\$143
2022	\$149
2023	\$151
2024	\$157

- An employee must have **5 years of SCERS service** to be eligible for retiree health benefits through SacSewer

Staffing Updates: Retirement Benefits

- **Pending Decisions**
 - Early 2024: Board reviews/approves staff's recommendations on CalPERS retiree benefits/contributions

Staffing Updates: Deferred Comp 457b & 401a

- **What We Know**

- SacSewer's 457 plan will be offered through CalPERS partner Voya
- Employees with \$7,000 or more in their Fidelity account can keep current money in Fidelity but will no longer contribute after the separation; money can also be moved to Voya
- Employees who have a Fidelity loan can continue to make payments after separation without penalties

Staffing Updates: Deferred Comp 457b & 401a

- **Pending Decisions**

- Late 2023/Early 2024: Workshops with CalPERS staff where detailed information and transition plans will be provided to employees
- Early 2024: 401a/ancillary benefits partner identified
- Summer 2024: Board reviews/approves staff's recommendations on 401a contributions

Staffing Updates: Social Security

- **What We Know**

- Employees will be voting on social security to either opt in or opt out
- CalPERS facilitates the Social Security voting and will come onsite prior to discuss pros and cons
- Vote is anticipated to occur in early 2024

Staffing Updates: Social Security

- **Pending Decisions**

- Early 2024: Employees vote on social security
- Summer 2024: Board resolution for approval, if necessary

Staffing Updates: Labor Groups

- **What We Know**

- Unions are formed per the Employee Employer Relation Policy (EERP) that was approved at September Board
- Employees will have the same rights since we remain public employees
- Staff's seniority will remain the same after the transition
- No anticipated reporting structure, job duty, workload, or org structure changes resulting from merger or County separation.
 - Some position titles (names) will be cleaned up (i.e. references to "Water Quality" or County")
 - Some new job titles/positions may be added due to new services within SacSewer

Staffing Updates: Labor Groups

- **What We Know**

- We are communicating with existing unions as we go through the separation and merging process
- Existing unions (contracts) will terminate upon separation since the existing unions are through the County and not through SacSewer

Staffing Updates: Labor Groups

- **Pending Decisions**

- SacSewer does not know what unions will form or when
 - This process is initiated and led by staff, not SacSewer, and follows the guidelines outlined in the Employee Employer Relation Policy (EERP)

Staffing Updates: Compensation

- **What We Know**

- Comparable agencies recently identified, and SacSewer will benchmark to ensure staff are competitively compensated
 - Compensation Policy underway and expected to be complete/approved prior to separation
 - Salary study expected for all job classes starting after separation
- We are working with labor counsel to coordinate the transfer of leave balances including vacation, sick leave, and CTO

Staffing Updates: Compensation

- **What We Know**

- Future compensation will be based on the results of the salary study and compensation policy, subject to Board approval
- Not everyone will receive an equity increase, and no pay cuts will happen as a result of the salary study

Staffing Updates: Compensation

- **Pending Decisions**

- Early 2024: Anticipated Board review/approval of staff's recommended Compensation Policy
- After January 2025: Salary study for SacSewer positions conducted

Staffing Updates: District vs. County

- **What We Know**

- The following services will be contracted with the County:
 1. Fueling services through DGS
 2. Real Estate Services via DGS
 3. CUBS (Utility billing)
 4. Supplemental IT services via DTech
 5. Planning and Environmental Review
 6. CMID
 7. Legal Counsel
 8. Clerk of the Board
- If an employee wants to stay with the County, they can get on the transfer list now

Staffing Updates: District vs. County

- **Pending Decisions**

- Early 2024: Work with County to develop plan to transition employees from County to SacSewer employment; will provide employee updates soon after plan is established

Staffing Updates: Contract Employees

- **What We Know**

- There are no plans to cut contract positions due to the County separation
- Some contract positions are slated to transition to SacSewer staff, but not all

Staffing Updates: Other Questions

What We Know

- SacSewer is prohibited from directly negotiating with staff; however, we are committed to communicating decisions
 - Info will continue to be shared through GM videos, emails, the One District intranet site, staff/tailgate meetings, and all-hands meetings
- SCERS establishes reciprocity with other retirement systems, such as CalPERS
- There is no need for a reciprocity agreement to sustain your retirement tier since SacSewer is remaining with SCERS

Staffing Updates: Other Questions

What We Know

- SCERS confirmed that employees will not be able to buy back time from before we were contributing to SCERS as an independent employer
- Work schedules/telework schedules will not change because of the county separation
- Staff will continue to get paid bi-weekly
- Lists for some job classes will be established before we transition so supervisors can hire starting in Jan 2025
 - Onboarding will be much quicker and more efficient

Staffing Updates: Other Questions

What We Know

- Tyler Munis was selected as Human Capital Management system and is expected to go live in fall 2024
- Tyler Munis will replace the following County platforms:
 - COMPASS payroll
 - MySacCounty self-serve
 - Applicant tracking/exams/recruitment
 - Timesheet system (last phase)
- Additional components will be implemented post separation

Questions?

Please continue to email questions through our
One District site!

Thank you for coming!

WE WANT TO HEAR FROM YOU!

Please use QR code to fill out a brief pulse survey for One District.

