









**Biosolids** Reuse





**Board of Directors Meeting** July 12, 2023

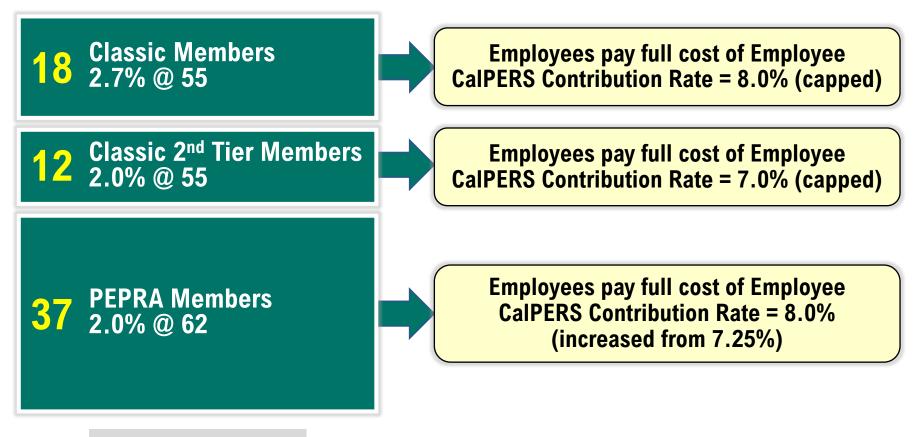
## FY23/24 Cost-of-Living Adjustment



- All three Bargaining Unit MOUs and employment agreements for unrepresented employees provide for an annual Cost-of-Living Adjustment (COLA)
  - Based on SF Bay Area's April-to-April Consumer Price Index (CPI) for SF/Bay Area Wage Earners—3.6% for April 2022-to-April 2023
  - Per MOUs, annual COLA has a range of 2.0%-5.0%
- FY23/24 COLA of 3.6% represents an annual labor cost increase of \$392k (included in adopted FY23/24 Budget)
  - <u>Note</u>: Overall FY23/24 labor budget decreased by \$656k

## FY23/24 CalPERS Contributions 55% of Employees are PEPRA





**Total Employees = 67** 

## FY23/24 "Applicable Percentage" Adjustment for Classic 2<sup>nd</sup> Tier Members



- MOUs provide an Applicable Percentage benefit
  - <u>Classic 2<sup>nd</sup> Tier Members</u>: Hired after June 30, 2012, or hired on or after January 1, 2013, with reciprocity recognized under CalPERS
- District contributes to 401(a) plans for these employees
  - Amount equal to the Applicable Percentage of the employee's pensionable compensation with the District
  - Difference between Employer Total Normal Cost percentages for each fiscal year for the 2.5% @ 55 and 2.0% @ 55 formulas
    - Actuarially determined annually by CalPERS
- FY23/24 Applicable Percentage = 1.58%, which is +0.18% higher than FY22/23 value (1.40%)
  - Estimated annual labor cost increase = \$3,927

## **Recommended Actions**



- Adopt Resolution approving updated Salary Schedules incorporating FY23/24 annual COLA as provided for in Bargaining Unit MOUs and employment agreements for unrepresented employees
- Adopt Resolution approving Applicable Percentage as provided for in Bargaining Unit MOUs