

# San Jose Police Officers and Fire Fighters



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## **AMENDMENTS (1) October 24, 2011**

**These proposals amend the proposal submitted by San Jose Police Officers Association and San Jose Firefighters, IAFF Local 230 on September 28, 2011 for retirement reform.**

**These amendments are in summary form of the issue and will need to be fully vetted and agreed to by both the City and Unions with the cooperative spirit necessary to find common ground on the issues.**

### **I. WORKERS COMPENSATION REFORM**

**THE LABOR-MANAGEMENT WORKERS' COMPENSATION SUPPLEMENTAL DISPUTE RESOLUTION AGREEMENT "LONG BEACH MODEL" SHALL APPLY TO ALL THREE (3) TIERS. TIERS I, TIER II, AND TIER III EMPLOYEES.**

**This Agreement is pursued pursuant to California Labor Code Section 3201.7(a)(3)(c). Nothing in this agreement diminishes the entitlement of an employee to compensation payments for total or partial disability, temporary disability, or medical treatment fully paid by the employer as otherwise provided in Division 4 of the Labor Code. Nothing in this agreement denies to any employee the right to representation by counsel at all stages during the alternative dispute resolution process.**

Purpose.

The purposes of this proposal are:

1. To provide active employees claiming compensable injuries under Division 4 of the California Labor Code ("Workers' Compensation Law") with an expedited procedure to resolve medical disputes in accordance with Article IV, Section D of this Agreement to facilitate their prompt return to work;
2. To provide retirees claiming a presumptive injury as defined by California Labor Code (hereinafter "Labor Code") section 3212 et seq. with an expedited procedure to resolve medical disputes in accordance with Article IV, Section D of this Agreement;
3. To reduce the number and severity of disputes between the City and covered employees, when those disputes relate to workers' compensation; and
4. To provide workers' compensation coverage in a way that improves labor management relations, improves organizational effectiveness, and reduces costs to the City.

These purposes will be achieved by utilizing an exclusive list of medical providers to be the sole and exclusive source of medical evaluations for disputed issues surrounding covered employees in accordance with California Labor Code Section 3201.7(c).

## **II. CalPERS VALUATION "UNIONS WILL BEAR THE EXPENSE"**

CalPERS has advised the both the City and its public safety Unions that it charges \$700 (seven hundred dollars) to perform a valuation on the proposal submitted by San Jose Police Officers Association and San Jose Firefighters, IAFF Local 230.

CalPERS has also advised that by performing a valuation on the proposal it in NO-WAY commits either the City or safety Unions to enter into an agreement for CalPERS to administer retirement benefits as per the proposal.

San Jose Police Officers Association and San Jose Firefighters, IAFF Local 230 agree to pay the full cost of \$700 (seven hundred dollars) so that CalPERS can engage with retirement services and acquire the necessary demographic information to perform a complete valuation of the Unions proposal.

The Unions acknowledge that this valuation will take up to 120 days for a turn-around performance of the results from CalPERS.

### **Purpose.**

There are a difference of opinion on the value of the savings based upon the Unions proposal for legal retirement reform between the City's retained actuary and the Unions retained actuary. Allowing CalPERS actually perform the valuation without commitment of entering into agreement will settle all issues as to the savings potential on retirement reform that the Unions proposal will or will not accomplish. Simply put, the savings will be verified.

This information is crucial so that all information can be shared and on the table for debate and deliberation as we all seek to reduce retirement costs in the most efficient and legal manner.

### III. SUPPLEMENTAL RETIREMENT RESERVE BENEFIT (SRBR)

The Unions understand that the City has entered into agreements on changing SRBR benefits with other bargaining units for current entitled employees. The SJPOA and Local 230 need to understand the legal opinion and process which enables the City to move forward on changes to SRBR. Once understood the unions can better engage in the bargaining process on changes to SRBR for Tier I employees.

The Unions renew its proposal for all three Tiers of employees.

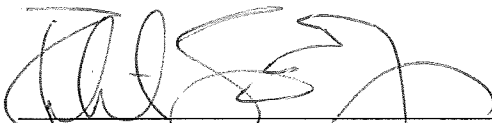
- Tier III employees will not be a participant or recipient of SRBR.
- Tier II employees will forfeit SRBR payments and participation upon voluntarily electing into Tier II. Furthermore, as additional savings, the assets forfeited by Tier II employees shall be rolled into the retiree medical plan to offset unfunded liabilities.
- Tier I employees will be subject to the outcome of bargaining between the City and Unions.

October 24, 2011



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George Beattie, President  
San Jose Police Officers Association



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Robert Sapien, President  
San Jose Firefighters, IAFF Local 230