



SUMMER

OUR 48TH YEAR

CONTRA COSTA CHAPTER

MARCH 2011

Retirement Plan Issues Taking on New Importance



Recently there has been considerable press on the state of various public pension plans in California and throughout the United States. We want to take this opportunity to assure you that you do not have similar problems with the Contra Costa County Electrical Workers Retirement Trust, and to tell you about some positive changes we are making in the plan going forward.

Shortly after our Chapter was established in 1964, labor and management agreed to establish a pension plan with an initial contribution rate of \$.25/hour. What was unusual about our plan was that it was one of the first defined-contribution pension plans in the construction industry. Most plans up to that point were defined-benefit plans. Those are the type of plans you hear about today where the benefits promised are more than what is available through contributions and investment income, creating unfunded liability back to the employers or public entities. Because, our plan is a defined contribution plan, you will never experience an unfunded liability. Your only obligation is to make the required hourly contributions.

Unfunded liability becomes withdrawal liability should a signatory employer chose to terminate its relationship and operate as a non-union employer. Again, this liability is limited to defined-benefit plans, so you would not encounter this with our plan. Many defined-benefit plans, including our National Electrical Benefit Fund (NEBF), are now assessing withdrawal liability. In fact, the NEBF recently sent out a notice that spelled out several methods of calculating withdrawal liability. We have attached a copy of that information for your review. Understand that even though you would not face withdrawal liability from our local pension plan, you could have withdrawal liability from the NEBF or any other NECA-IBEW defined-benefit plan if you terminate your labor agreement and operate as a non-union contractor. Our Sound and Communication Contractors have a similar situation with the defined-contribution plan under that agreement.

In 1984, our pension plan was one of the first defined-contribution plans to implement a variable contribution rate. This allows a participant to move money off wages and apply it to their pension, which in essence makes it easier for them to retire when that day arrives. It is not unusual for a retiring electrician to have a million dollars or more if they have taken advantage of the variable pension through their working careers. If that sounds like an obscene number to you, its not, and we hope that each of you are taking that kind of care in your own retirement planning.

Beginning in May of this year, the Trustees of our plan have elected to move from a Trustee-directed investment plan to a participant-directed investment plan with Fidelity Investments as the new bookkeeper. Our participants will have more investment options with daily valuations and online access. They will also have access to Fidelity's Investment Consultants. The idea is to give the participants control over their retirement planning so that they make better decisions along the way. We want to assure you that individuals will not be allowed to purchase individual securities, so you should not have to worry about investment decisions becoming a short-term distraction on the job (day-trading). Our focus has always been and will remain on long-term investing. Enclosed with this newsletter is a rather elaborate description of the new arrangement with Fidelity.



Keep in mind that the reason we have a local retirement plan is so that we can recruit and retain the very best people for our employers. We look forward to the day when this becomes important once again.

Retirement . . . The time in your life when time is no longer money.

NECA Featured Publications

March Chapter Membership Meeting

Our next regular meeting of the Chapter Membership will be held on Thursday, March 31, 2011, at Jacks Restaurant in Pleasant Hill, beginning with hosted cocktails at 6:00 p.m.

We are beginning negotiations with Local 302 on March 10 for our Inside Wiremen's Agreement (expiring May 31, 2011). We should be done with negotiations by the end of April. An update on the negotiations will be provided during this meeting.

Please mark your calendar and plan to attend.

2010 California Electrical Code (CEC)

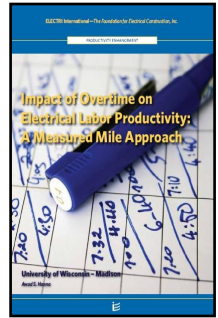
The Electrical Industry Trust will be sponsoring a Code Changes Seminar to address recent changes to the NEC, Title 24, and the Building & Fire Code. We have tentatively scheduled it for April 20, but that date could be subsequent to change. Watch your mail for the announcement and registration.

Impact on Overtime on Electrical Labor Productivity: A Measured Mile Approach

Electrical contractors are frequently faced with the need to compress or accelerate the construction schedule as a result of added scope, delays and/or a late start of activities. The most common approach to schedule acceleration is the use of overtime. Past research studies concluded that placing workers on scheduled overtime reduces labor productivity. Although several research efforts have studied the effect of overtime on labor efficiency, these studies have unknown data sources and were conducted many years previously. This study is focused on the analysis of scheduled and unscheduled (sporadic) overtime on labor productivity.

This study presents the results of a statistical analysis of productivity data collected from several projects that used a variety of overtime scheduling techniques. The statistical analysis includes several productivity models that can be used to estimate electrical labor inefficiency within a project, given both its scheduled overtime per week and the total successive number of weeks of overtime.

Priced at \$10 for PDF Download, \$30 for Shipped Copy.

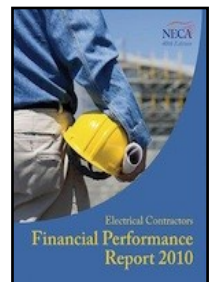


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Electrical Contractors Financial Performance Report 2010

NECA publishes a new Financial Performance Report every two years based on a confidential survey of a broad representation of real-life electrical contractors, making it the most complete, accurate, and up-to-date database of electrical contractors financial and operating data available. The just-released *Electrical Contractors Financial Performance Report 2010 (based on 2009 operations data)* is the 40th edition and it promises to be the most valuable one issued thus far because it provides information that is particularly relevant as our industry and the nation slowly recovers from still-lingering economic woes.

Priced at \$30 for PDF Download or Shipped Copy.



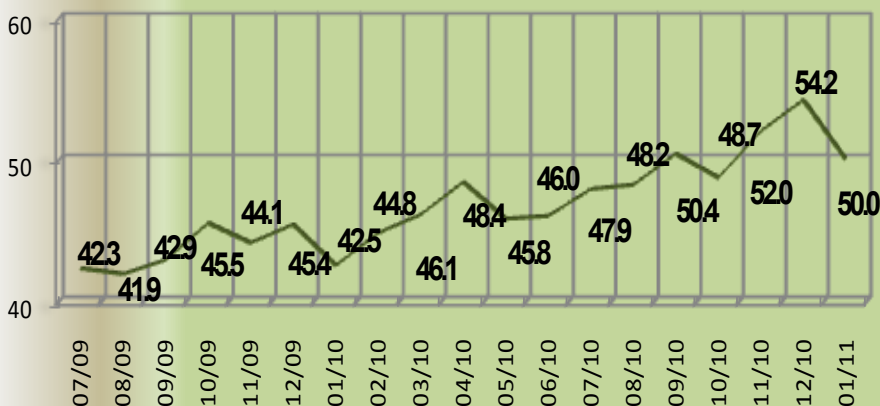
Index #1055-10

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Architecture Billings Index

The American Institute of Architects (AIA) reported the January ABI score was 50.0, down from a reading of 53.9 the previous month. This score reflects stable demand for design services (any score above 50 indicates an increase in billings).



ENCLOSURES

Description of: Fidelity Investments Agreement

No. California & Nevada ORGANIZERS Meeting Notice: Presentation on LED Tronics

Advanced Estimating of Electrical Construction Workshop Registration Form

National Electrical Benefit Fund Withdrawal Liability Calculation Formula


Calendar

Body Bulletin



March 2011

Sun Mon Tue Wed Thur Fri Sat

		1	2	3	4	5
6	7	8	9	10	11	12
				<i>Negotiations</i> Training Center Martinez 5:30 p.m.	Northern CA & Nevada ORGANIZERS IBEW Local 302 Martinez 9:00 a.m.	
13	14	15	16	17	18	19
				Happy St. Patrick's Day	Sound & Communication Apprentice Interviews Training Center Martinez 10:00 a.m.	
	21	22	23	24—25		26
 Spring Begins	<i>Negotiations</i> Training Center Martinez 5:30 p.m.			District IX Council Meeting Las Vegas, NV		
27	28	29	30	31		
	<i>Negotiations</i> Training Center Martinez 5:30 p.m.	Retirement Trust Training Center Martinez 10:00 a.m.		NECA Jacks Restaurant Pleasant Hill Board - 4:03 p.m. Chapter -6:00 p.m.		

NOTES:



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