

DEPARTMENT: Personnel

BY: Richard J. Benson

PHONE: 966-3222

RECOMMENDED ACTION AND JUSTIFICATION:

Waive first reading and introduce Ordinance//Waive second reading and adopt Ordinance amending the contract with CalPERS to provide for a change to the retirement formula for miscellaneous employees from 2.7% @55 to 2% @55 and for safety employees from 3% @50 to 3% @55; this amendment will further provide for a three-year final compensation at retirement from a one-year final compensation.

As a result of labor negotiations between Mariposa County and all four bargaining units {Service Employees International Union Local 521 [SEIU]; Mariposa County Managerial and Confidential Organization [MCMCO]; Deputy Sheriffs' Association [DSA]; Sheriffs' Management Association [SMA]}, the parties agreed to reduce the retirement formula for new employees hired after this contract amendment goes into effect.

The introduction and final adoption of this Ordinance is a component of the process required by CalPERS to amend the contract.

BACKGROUND AND HISTORY OF BOARD ACTIONS

At their meeting of September 6, 2011, the Board of Supervisors adopted a Resolution of Intention to approve an amendment to the CalPERS contract.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

N/A. The Board previously approved the Resolution of Intention, which is the first step in amending the CalPERS contract.

Financial Impact? () Yes () No	Current FY Cost: \$	Annual Recurring Cost: \$
Budgeted In Current FY? () Yes () No () Partially Funded		
Amount in Budget: \$		List Attachments, number pages consecutively
Additional Funding Needed: \$		
Source:		Ordinance
Internal Transfer		Proposed Contract Amendment
Unanticipated Revenue	_____ 4/5's vote	
Transfer Between Funds	_____ 4/5's vote	
Contingency	_____ 4/5's vote	
() General () Other		

CLERK'S USE ONLY:

Res. No.: _____ Ord. No. *1081*
Vote - Ayes: *4* Noes: _____
Absent: *Mariposa* Abstained: _____
mm Approved
() Minute Order Attached () No Action Necessary

COUNTY ADMINISTRATIVE OFFICER:

Requested Action Recommended
 No Opinion
Comments:

The foregoing instrument is a correct copy of the original on file in this office.

Date: _____
Attest: MARGIE WILLIAMS, Clerk of the Board
County of Mariposa, State of California

By: _____
Deputy

CAO: *[Signature]*

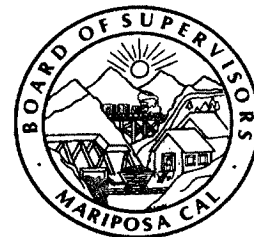


COUNTY of MARIPOSA

P.O. Box 784, Mariposa, CA 95338 (209) 966-3222

JIM ALLEN, CHAIR
JANET BIBBY, VICE-CHAIR
LEE STETSON
LYLE TURPIN
KEVIN CANN

DISTRICT V
DISTRICT III
DISTRICT I
DISTRICT II
DISTRICT IV



MARIPOSA COUNTY BOARD OF SUPERVISORS

MINUTE ORDER

TO: RICHARD J. BENSON, CAO

FROM: MARGIE WILLIAMS, Clerk of the Board *MW*

SUBJECT: Waive the First Reading and Introduce an Ordinance Amending the Agreement with CalPERS to Provide for a Change to the Retirement Formula for Miscellaneous Employees from 2.7% @ 55 to 2% @ 55, and for Safety Employees from 3% @ 50 to 3% @ 55; This Amendment will Further Provide for a Three-Year Final Compensation at Retirement from a One-Year Final Compensation

THE BOARD OF SUPERVISORS OF MARIPOSA COUNTY, CALIFORNIA

ADOPTED THIS Order on September 20, 2011

ACTION AND VOTE:

- 6 **Administration**
Waive the First Reading and Introduce an Ordinance Amending the Agreement with CalPERS to Provide for a Change to the Retirement Formula for Miscellaneous Employees from 2.7% @ 55 to 2% @ 55, and for Safety Employees from 3% @ 50 to 3% @ 55; This Amendment will Further Provide for a Three-Year Final Compensation at Retirement from a One-Year Final Compensation
BOARD ACTION: Rick Benson read the title of the Ordinance into the record, and discussion was held. Supervisor Bibby clarified that she did not participate in the labor negotiations with the Deputy Sheriffs' Association or the Sheriffs' Management Association. Rick Benson advised that this action is not a part of the negotiation process, that it is implementation and administrative. Supervisor Allen referred to the existing hiring freeze and suggested that it be extended through this fiscal year – the Board concurred with the County Administrative Officer bringing this matter back to the Board. (M)Cann, (S)Stetson, the first reading was waived and the Ordinance was introduced as recommended/Ayes: Stetson, Bibby, Cann, Allen; Excused: Turpin.

Cc: Steven W. Dahlem, County Counsel
File

MARIPOSA COUNTY ORDINANCE NO. 1081

**AN ORDINANCE AMENDING THE CONTRACT WITH
THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
BOARD OF ADMINISTRATION
(Not to be Codified)**

WHEREAS, the Mariposa County Board of Supervisors has given their notice of intent to approve an amendment to the contract with the California PERS Board of Administration which provides a change to the retirement formula for miscellaneous members from the 2.7%@55 to the 2%@55 formula as well as changing from one-year final compensation to a three-year final compensation ; and

WHEREAS, the Mariposa County Board of Supervisors has further given their notice of intent to approve an amendment to the contract with the California PERS Board of Administration which provides a change to the retirement formula for safety members from the 3%@50 to the 3%@55 retirement formula as well as changing from one-year final compensation to a three-year final compensation;

NOW, THEREFORE, THE BOARD OF SUPERVISORS OF MARIPOSA COUNTY, a political subdivision of the State of California, does ordain as follows:

Section I: That an amendment to the contract between the Board of Supervisors of the County of Mariposa and the Board of Administration, California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked Exhibit, and by such reference made a part hereof as though herein set out in full.

Section II: The Chair of the Board of Supervisors is hereby authorized, empowered, and directed to execute said amendment for and on behalf of said Agency.

Section III: This Ordinance shall become effective thirty (30) days after final passage.

PASSED AND ADOPTED by the Board of Supervisors of Mariposa County this 27th day of September, 2011 by the following vote:

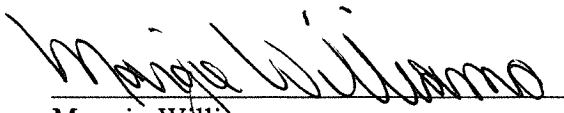
AYES: STETSON, BIBBY, CANN, ALLEN
NOES: NONE
ABSENT: TURPIN
ABSTAINED: NONE



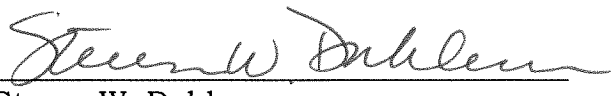
Jim Allen, Chair
Board of Supervisors

ATTEST:

APPROVED AS TO FORM



Margie Williams
Clerk of the Board



Steven W. Dahlem
County Counsel



EXHIBIT

California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
Board of Supervisors
County of Mariposa

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective July 1, 1961, and witnessed June 7, 1961, and as amended effective April 1, 1965, January 1, 1967, October 1, 1968, May 1, 1973, April 1, 1974, May 1, 1976, June 1, 1979, August 1, 1982, December 15, 1982, February 25, 1983, August 1, 1988, October 1, 1992, March 17, 1993, December 7, 1994, June 30, 1996, September 22, 2000, June 6, 2001, January 1, 2003 and July 1, 2003 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

Pursuant to Government Code sections 20460.1, 20469.1, subdivision (b), and 71624, this contract is hereby amended to add the Trial Court of Mariposa County, hereinafter referred to as Trial Court, as a contracting party. Trial Court shall participate in the Public Employees' Retirement System from and after the implementation date of the Trial Court Employment Protection and Governance Act pursuant to the terms and conditions of this contract, making its employees members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for in this contract and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency."

- A. Paragraphs 1 through 13 are hereby stricken from said contract as executed effective July 1, 2003, and hereby replaced by the following paragraphs numbered 1 through 16 inclusive:

②

1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for local miscellaneous members; age 50 for local safety members entering membership in the safety classification on or prior to the effective date of this amendment to contract and age 55 for local safety members entering membership for the first time in the safety classification after the effective date of this amendment to contract.
2. Public Agency shall participate in the Public Employees' Retirement System from and after July 1, 1961 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.
3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorneys fees that may arise as a result of any of the following:
 - (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.
 - (b) Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than existing retirement benefits, provisions or formulas.
 - (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.
 - (d) Public Agency's election to file for bankruptcy under Chapter 9 (commencing with section 901) of Title 11 of the United States Bankruptcy Code and/or Public Agency's election to reject this Contract with the CalPERS Board of Administration pursuant to section 365, of Title 11, of the United States Bankruptcy Code or any similar provision of law.
 - (e) Public Agency's election to assign this Contract without the prior written consent of the CalPERS' Board of Administration.

- (f) The termination of this Contract either voluntarily by request of Public Agency or involuntarily pursuant to the Public Employees' Retirement Law.
 - (g) Changes sponsored by Public Agency in existing retirement benefits, provisions or formulas made as a result of amendments, additions or deletions to California statute or to the California Constitution.
4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
- a. Local Fire Fighters (herein referred to as local safety members);
 - b. County Peace Officers (included as local safety members);
 - c. Employees other than local safety members (herein referred to as local miscellaneous members).
5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:
- a. **PERSONS COMPENSATED ON AN HOURLY AND OR PER DIEM BASIS ON OR AFTER OCTOBER 1, 1968.**
6. The percentage of final compensation to be provided for each year of credited prior and current service as a local miscellaneous member in employment before and not on or after January 1, 2003 shall be determined in accordance with Section 21354 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2% at age 55 Modified and Full).
7. The percentage of final compensation to be provided for each year of credited prior and current service as a local miscellaneous member in employment on or after January 1, 2003 and not entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract shall be determined in accordance with Section 21354.5 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2.7% at age 55 Modified and Full).
8. The percentage of final compensation to be provided for each year of credited current service as a local miscellaneous member entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract shall be determined in accordance with Section 21354 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2% at age 55 Modified).

9. The percentage of final compensation to be provided for each year of credited prior and current service as a local safety member entering membership in the safety classification on or prior to the effective date of this amendment to contract shall be determined in accordance with Section 21362.2 of said Retirement Law subject to the reduction provided therein for Federal Social Security (3% at age 50 Modified).
10. The percentage of final compensation to be provided for each year of credited current service as a local safety member entering membership for the first time in the safety classification after the effective date of this amendment to contract shall be determined in accordance with Section 21363.1 of said Retirement Law subject to the reduction provided therein for Federal Social Security (3% at age 55 Full).
11. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 20437 ("County Peace Officer" shall include constables, deputy constables, marshals and deputy marshals as described in Government Code Section 20437).
 - b. Section 21222.1 (One-Time 5% Increase - 1970). Legislation repealed said Section effective January 1, 1980.
 - c. Section 21222.2 (One-Time 5% Increase - 1971). Legislation repealed said Section effective January 1, 1980.
 - d. Section 20439 ("County Peace Officer" shall include county jail, detention or correctional facility employees as described in Government Code Section 20439).
 - e. Section 20614, Statutes of 1978, (Reduction of Normal Member Contribution Rate). From June 1, 1979 and until July 31, 1982, the normal local miscellaneous member and local safety member contribution rate shall be 3.5%. Legislation repealed said Section effective September 29, 1980.
 - f. Section 21024 (Military Service Credit as Public Service).
 - g. Section 20690, Statutes of 1980, (To Prospectively Revoke Section 20614, Statutes of 1978).
 - h. Section 20903 (Two Years Additional Service Credit).
 - i. Section 20965 (Credit for Unused Sick Leave) for local miscellaneous members only.
 - j. Section 21023.5 (Public Service Credit for Peace Corps, AmeriCorps VISTA, or AmeriCorps Service).

- "ONLY"
- k. Section 20042 (One-Year Final Compensation) for local miscellaneous members and local safety members entering membership on or prior to the effective date of this amendment to contract.
 - l. Section 20438 ("County Peace Officer" shall include probation officers, deputy and assistant probation officers, juvenile hall employees, and persons employed as peace officers pursuant to Section 830.5 of the Penal Code as described in Government Code Section 20438).
 - m. Section 20475 (Different Level of Benefits). Section 21354 (2% @ 55 Modified formula) and Section 20037 (Three-Year Final Compensation) are applicable to local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract.

Section 21363.1 (3% @ 55 Modified formula) and Section 20037 (Three-Year Final Compensation) are applicable to local safety members entering membership for the first time in the safety classification after the effective date of this amendment to contract.

- 12. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on June 1, 1979. Accumulated contributions of Public Agency shall be fixed and determined as provided in Government Code Section 20834, and accumulated contributions thereafter shall be held by the Board as provided in Government Code Section 20834.
- 13. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.
- 14. Public Agency shall also contribute to said Retirement System as follows:
 - a. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
 - b. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.

15. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.
16. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the _____ day of _____, _____.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BOARD OF SUPERVISORS
COUNTY OF MARIPOSA

BY _____
DARRYL WATSON, CHIEF
CUSTOMER ACCOUNT SERVICES DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

Witness Date

Attest:

Clerk