For Council Meeting of: August 2, 2016

CITY OF SANTA ROSA CITY COUNCIL

TO: MAYOR AND CITY COUNCIL

FROM: PAUL CARROLL. EMPLOYEE RELATIONS MANAGER

HUMAN RESOURCES

SUBJECT: ADOPTION OF A RESOLUTION OF INTENTION TO APPROVE

AN AMENDMENT TO THE CITY OF SANTA ROSA'S CONTRACT WITH THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND INTRODUCE AN ORDINANCE TO AMEND THE

CONTRACT

AGENDA ACTION: RESOLUTION AND ORDINANCE

RECOMMENDATION

It is recommended by the Human Resources Department that Council, by resolution and ordinance, adopt a resolution of intention to approve an amendment to the City of Santa Rosa's Contract with the California Public Employees' Retirement System (CalPERS) and introduce an ordinance to amend the contract.

EXECUTIVE SUMMARY

This action completes the process of employee sharing in the City's cost of CalPERS retirement that was started with the labor contracts negotiated and settled in 2013 and 2014. This action will allow the current percentages of employee cost sharing to be credited to the employee's CalPERS account. This action satisfies Council Goal 2A, "Promote a City Organization that is Service - Sustainable and Maintains Employee Morale.

BACKGROUND

Beginning in 2013, the Council prioritized pension cost sharing by City employees in labor contracts. Through negotiations in 2013 and 2014 all City employees participating in CalPERS began cost sharing by paying additional percentages towards the overall retirement cost. Through Government Code Section 20516, employees elect to have their cost sharing become part of the City's contract with CalPERS through this amendment process. This is the third cost sharing amendment the City has undertaken.

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This amendment process will finalize the pension cost sharing that was part of the labor contracts that began in 2013-2014 and ended in 2016.

PRIOR CITY COUNCIL REVIEW

Not applicable.

ANALYSIS

By the City Council authorizing a contract amendment with CalPERS to provide Section 20516 (Employee Sharing Additional Cost) it will formalize the following cost sharing arrangements in the CalPERS contract with the City:

- A. Section 20516 of two and one half percent (2.5%) for miscellaneous members in the Santa Rosa City Employees Association, Unit 4 Support Services, Unit 6 Professional, and Unit 7 Technical.
- B. Section 20516 of two and one half percent (2.5%) for miscellaneous members in SEIU Local 1021, Unit 8 Transit.
- C. Section 20516 of one percent (1.0%) for safety members in the Santa Rosa Police Officers Association, Unit #5.
- D. Section 20516 of one percent (1.0%) for safety members in the Santa Rosa Police Management Association, Unit #9 Police Management.
- E. Section 20516 of one and one half percent (1.5%) for classic and new members in Santa Rosa Fire Fighters Local 1401, Unit 2 Firefighting.
- F. Section 20516 of one percent (1.0%) for miscellaneous members in the Unrepresented Confidential Unit #12.

FISCAL IMPACT

Approval of this action does not have a current fiscal impact on the General Fund. It allows for the current cost sharing to be credited to the employee's CalPERS account.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the

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environment, pursuant to CEQA Guideline section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

<u>ATTACHMENTS</u>

- Attachment 1 Amendment
- Resolution/Exhibit A
- Ordinance

CONTACT

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