



MARIPOSA COUNTY

Auditor ·



RESOLUTION - ACTION REQUESTED 2016-588

MEETING: November 15, 2016

TO: The Board of Supervisors

FROM: Debbie Isaacs, Auditor

RE: Resolution for Employer Paid Member Contributions-MCMCO and SEIU

RECOMMENDATION AND JUSTIFICATION:

Adopt a Resolution Eliminating the Employer-Paid Member Contributions to the California Public Employees' Retirement System for Employees in the Mariposa County Managerial and Confidential Organization (MCMCO) Bargaining Unit and the Service Employees International Union (SEIU) Local 521 Bargaining Unit Effective November 1st, 2016.

First tier classic employees, or those hired before November 1, 2011, currently contribute 8% of their monthly income to retirement through CalPERS. These employees are eligible to retire beginning at age 55 and receive a pension equal to their years of service multiplied by 2.7% of their annual income. A minimum of five years of service is required to receive the pension.

Second tier classic employees, or those hired after November 1, 2011 but prior to January 1, 2013, contribute 7% of their monthly income, are eligible to retire beginning at age 55, and receive a pension equal to their years of service multiplied by 2% of their annual income. Again, a minimum of five years of service is required to be considered invested in the pension.

Currently, the County pays 2% of CalPERS contributions for first tier classic employees and 1% for second tier classic employees. The most recent labor negotiations with MCMCO and SEIU included the agreement that employees would, over the three-year term of the agreement, gradually begin paying their entire contributions to CalPERS. The adoption of this Resolution signals the fulfillment of that agreement.

CalPERS requires that the Board have a written agreement in place which specifically provides for employee contributions to be paid, or in this case not paid, by the County. The Memorandums of Understanding (MOUs) have been approved by the Board authorizing this change in employee contribution percentage, making this resolution a formality.

Employees hired on or after July 1, 2013, with no CalPERS service within the previous six months are subject to the Public Employees' Pension Reform Act (PEPRA). This action has no effect on these employees.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

The Board has approved CalPERS Resolutions in the past pertaining to employee retirement amendments. Most recently for the bargaining units aforementioned, the Board adopted Resolution No. 15-571, which approved the payment of 2% Employee-Paid Member Contribution (EPMC) for first tier classic employees and 1% EPMC for second tier classic employees. Also, the Board adopted Resolution No. 15-110 approving the current SEIU MOU and Resolution No. 15-111 approving the current MCMCO MOU.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

Without passage of this Resolution, the County cannot correctly implement the agreed-upon payments of Employer Paid Member Contribution (EPMC) pursuant to negotiated MOUs with MCMCO and SEIU.

ATTACHMENTS:

MCMCO and SEIU EPMC Res 11-1-2016 (DOC)

CAO RECOMMENDATION

Requested Action Recommended


Mary Hodson, CAO 11/9/2016

RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]

MOVER: Rosemarie Smallcombe, District I Supervisor

SECONDER: Merlin Jones, District II Supervisor

AYES: Smallcombe, Jones, Long, Cann, Carrier

MARIPOSA COUNTY RESOLUTION NO. 16-588

**RESOLUTION FOR PAYING AND REPORTING THE VALUE OF
EMPLOYER PAID MEMBER CONTRIBUTIONS**

WHEREAS, the governing body of the County of Mariposa has the authority to implement Government Code Section 20636(c)(4) pursuant to Section 20691;

WHEREAS, the governing body of the County of Mariposa has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer, and reported as additional compensation; and

WHEREAS, one of the steps in the procedures to implement Section 20691 is the adoption by the governing body of the County of Mariposa of a Resolution to commence paying and reporting the value of said Employer Paid Member Contributions (EPMC);


WHEREAS, the governing body of the County of Mariposa has identified the following conditions for the purpose of its election to pay EPMC:

- This benefit shall apply to all Classic employees of the Management and Confidential group, code 002, and the General Employees (SEIU) group, code 003.
- This benefit shall consist of paying 0% of the normal member contributions as EPMC, and reporting the same percent (0%) of compensation earnable, for Classic 1st Tier employees (2.7%@55), excluding Government Code Section 20636(c)(4), as additional compensation.
- This benefit shall consist of paying 0% of the normal member contributions as EPMC, and reporting the same percent (0%) of compensation earnable, for Classic 2nd Tier employees (2%@55), excluding Government Code Section 20636(c)(4), as additional compensation.
- All employees belonging to the Management and Confidential group, code 002, and the General Employees (SEIU) group, code 003, shall be required to pay the full amount of the normal member contribution.
- The effective date of this Resolution shall be November 1, 2016.

NOW, THEREFORE, BE IT RESOLVED that the Mariposa County Board of Supervisors, a political subdivision of the State of California, hereby elects to pay and report the value of EPMC as set forth above.

PASSED AND ADOPTED this 15th day of November, 2016 by the following vote:

AYES: SMALLCOMBE, JONES, LONG, CANN, CARRIER
NOES: NONE
ABSTAINED: NONE
EXCUSED: NONE



JOHN CARRIER, Chair
Board of Supervisors

ATTEST:

APPROVED AS TO FORM:



RENÉ LaROCHE, Clerk of the Board



STEVEN W. DAHLEM, County Counsel