

MARIPOSA COUNTY

Human Resources • (209) 742-1379



RESOLUTION - ACTION REQUESTED 2019-497

MEETING: August 20, 2019

TO: The Board of Supervisors

FROM: Kimberly Williams, Human Resources Director

RE: Adopt a Resolution Establishing the 3% Confidential Premium as Reportable to CalPERS

RECOMMENDATION AND JUSTIFICATION:

Adopt a Resolution Establishing the 3% Confidential Premium currently being paid to Confidential employees as a special compensation reportable to CalPERS and subject to retirement.

The Auditor's Office recently submitted an inquiry to the CalPERS Employer Response team regarding the 3% confidential premium pay currently being paid to Mariposa County employees in the Confidential classification. The reason for this inquiry was to clarify whether or not this pay should be reportable to CalPERS as special compensation subject to retirement. The result of the inquiry was a determination from CalPERS that this pay should in fact be subject to retirement in accordance with 2 California Code of Regulations Sections 570 through 571 governing reportable compensation.

The adoption of this resolution will enable the Auditor's Office to accurately report compensation subject to retirement to CalPERS retroactive to July 1, 2016, which is the date that the Auditor's Office began paying the confidential premium pay to eligible employees. The resulting, retroactive contributions due from the County as a result of this resolution have been detailed in the financial impact section of this Board Item.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

On November 1, 2016 the Board approved Resolution 2016-579 approving the 3% Confidential Premium to be paid to employees in the Confidential classification. At that time, this pay was not formally established as a special compensation reportable to CalPERS and subject to retirement. The Board's adoption of this resolution would accomplish that.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

The Auditor's Office has had discussion with CalPERS staff regarding the "pensionability" of confidential pay. The result of this discussion is that the

Resolution - Action Requested 2019-497

confidential premium pay being paid to Mariposa County employees in the Confidential classification should be established as a reportable compensation subject to retirement. Non-adoption of this resolution would result in non-compliance with 2 California Code of Regulations Section 570 through 571 governing reportable compensation for CalPERS.

FINANCIAL IMPACT:

Retroactive employer contributions that will be due as a result of this action are estimated to be \$8,629.65. In addition to this amount, the Auditor's Office is recommending that the County cover employee contributions for separated employees no longer employed with the County, as opposed to incurring the expense of attempting to recoup these costs from the separated employees. The additional cost of covering these employee contributions would be \$482.23. These costs will be paid by appropriations in the payroll category budgets for the affected Departments. Any budget adjustments made necessary as a result of this action will be addressed during Mid-year.

ATTACHMENTS:

Confidential Pay Resolution (DOCX)

RESULT: ADOPTED [UNANIMOUS]

MOVER: Merlin Jones, District II Supervisor

SECONDER: Rosemarie Smallcombe, District I Supervisor

AYES: Smallcombe, Jones, Long, Cann, Menetrey

MARIPOSA COUNTY RESOLUTION NO. 19-497
RESOLUTION APPROVING THE 3% CONFIDENTIAL PREMIUM PAY AS REPORTABLE
TO THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS)

WHEREAS, the governing body of the County of Mariposa, the Board of Supervisors, approved a 3% confidential premium pay for employees designated as Confidential on November 1, 2016 with a retroactive effective date of July 1, 2016; and

WHEREAS, at the time the 3% confidential premium pay was approved, the Board of Supervisors did not stipulate that this special pay was reportable to the California Public Employees' Retirement System (CalPERS); and

WHEREAS, the Board of Supervisors desires that the 3% confidential premium pay is reportable to CalPERS and considered to be pensionable compensation as defined in 2 California Code of Regulations Sections 571 and 571.1.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF SUPERVISORS of Mariposa County, a political subdivision of the State of California, as follows:

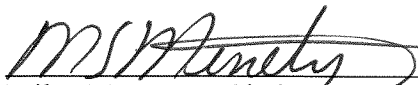
1. Effective immediately, the 3% confidential premium pay received by employees in classifications designated as Confidential shall be reportable to CalPERS. The classifications currently designated as Confidential are the following:

Accountant II (Auditor's office)	Executive Assistant (County Administration)
Administrative Analyst I/II (Human Resources)	Legal Executive Assistant (County Counsel's office)
Assistant Auditor (Auditor's office)	Payroll Specialist (Auditor's office)
Assistant County Counsel (County Counsel's office)	Senior Administrative Analyst (Human Resources)
Deputy Clerk of the Board I/II (Clerk of the Board)	

2. From time to time, the governing body authorizes the designation of other classifications in the Confidential category and those classifications would be subject to this Resolution.

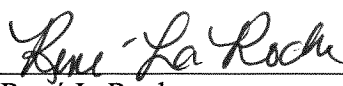
PASSED AND ADOPTED by the Mariposa County Board of Supervisors this 20TH day of August, 2019, by the following vote:

Ayes: SMALLCOMBE, JONES, LONG, CANN, MENETREY
Noes: NONE
Absent: NONE
Abstained: NONE




Miles Menetrey, Chair
Mariposa County Board of Supervisors

ATTEST:



René LaRoche
Clerk of the Board

APPROVED AS TO FORM:



Steven W. Dahlem
County Counsel