



Staff Report

File #: TMP-1404, **Version:** 1

MEETING DATE:

JULY 14, 2020

SUBJECT:

ORDINANCE NO. 2020-1488 - AMEND THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM CONTRACT FOR ALL EMPLOYEE GROUPS

Recommendation

ADOPT ordinance to amend the California Public Employees' Retirement System Contract to add optional contract provision Section 20516 (Employees Sharing Additional Cost) all classic Fire Safety and Fire Management positions, and all classic and new Classified Miscellaneous, Supervisory and Unrepresented positions.

Board or Commission Action

N/A

Relevant Council Strategic Theme

Good Governance

Relevant Department Goal

Pursue cost containment measures and efficiencies

Executive Summary

The City of San Marcos (City) and the California Public Employees' Retirement System (CalPERS) entered into a contract effective November 15, 1972 and witnessed September 27, 1972. The contract has been amended number of times, with amendments becoming effective December 20, 1983, April 17, 1990, January 12, 1999, December 28, 1999, May 1, 2001, September 27, 2005, May 15, 2012, November 13, 2015 and October 19, 2020. The current amendment will allow employees to cost share with the City for CalPERS employer contributions, as agreed to during labor negotiations and ratified in the current Memorandum of Understandings with each association.

Discussion

The City of San Marcos is required to amend the CalPERS contract in order to add the provisions of section 20516 (Employees Sharing Additional Cost) as agreed during labor negotiations with the Fire Safety group, Fire Management, Classified Miscellaneous, Supervisory and Unrepresented groups.

This is the second reading on the proposed ordinance amending the CalPERS Contract. First reading was on June 23, 2020.

Environmental Review

N/A

Fiscal Impact

Implementing Section 20516 (Employees Sharing Additional Cost) provisions will reduce the City's liability of CalPERS contribution costs, as Employees will be sharing the employer cost for CalPERS Contributions. Currently, Classic Fire Safety and Fire Management groups are cost sharing an additional 1.5%. Per the MOU, they will contribute an additional 1.5% for fiscal year 20/21, bringing their cost sharing contributions to 3.0%, in addition to their employee contributions.

This will be the first year of cost share contributions for the Classic Classified Miscellaneous, Supervisory and Unrepresented groups, who will share 1%, and new Classified Miscellaneous, Supervisory and Unrepresented groups will share 0.25%, in addition to their current employee contributions.

Attachment(s)

Ordinance (Second and Final Reading)

Amendment to Contract Between the Board of Administration of California Public Employees' Retirement System and the City Council of City of San Marcos

Certification of Final Action

Prepared by: Sona Wolfe, HRIS Analyst

Reviewed by: Michelle Bender, Deputy City Manager/HR&Risk Director

Approved by: Michelle Bender, Deputy City Manager/HR&Risk Director