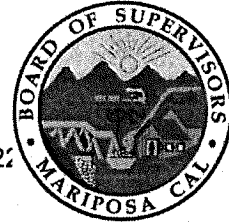




# MARIPOSA COUNTY

Human Resources/Risk Management • (209) 966-3222



## **RESOLUTION - ACTION REQUESTED 2015-112**

MEETING: March 10, 2015

TO: The Board of Supervisors

FROM: Steve Dahlem, County Counsel/Interim HR Director-Risk Manager

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

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### **RECOMMENDATION AND JUSTIFICATION:**

Adopt a Resolution authorizing the County to pay 5% of the Employer Paid Member Contributions (EPMC) to the California Public Employees' Retirement System (CalPERS) for employees in the Mariposa County Managerial and Confidential Organization (MCMCO) bargaining unit and the Service Employees International Union Local 521 (SEIU) bargaining unit effective April 1, 2015.

Currently, the County pays the entire retirement contribution for all employees in these bargaining groups. For employees hired before November 1, 2011, this amount is 8% and for employees hired on or after November 1, 2011 and before January 1, 2013, this amount is 7%. Employees hired before November 1, 2011 are subject to the 2.7%@55 retirement formula and those employees hired on or after November 1, 2011 and before January 1, 2013 are subject to the 2%@55 retirement formula. Those employees hired on or after January 1, 2013, and who did not have prior CalPERS service or had a break in service from a CalPERS agency for more than six months, are subject to the Public Employees' Pension Reform Act (PEPRA) and this action does not apply to them. Recent labor negotiations with MCMCO and SEIU resulted in a three-year agreement respectively and over that three-year period, employees agreed to pay the entire employee retirement contribution. With the adoption of this Resolution, employees will begin paying 3% of their respective employee retirement contribution to CalPERS.

Two other Resolutions will be brought before the Board to continue to reduce the amount the County pays for the employees' retirement contribution pursuant to the parties' respective agreements. One Resolution will be scheduled for later this year to be effective November 1, 2015 and another will be scheduled next year to be effective November 1, 2016. After the November 2016 Resolution is adopted, the County will no longer be paying the employee retirement contribution and employees will be paying the entire contribution.

CalPERS requires that the Board have a written agreement in place which specifically provides for employee contributions to be paid by the County. In a separate Board item on this date, the Board is considering the approval of the MCMCO and SEIU Memoranda of Understanding (MOUs) which contains all items agreed upon at the bargaining table, one of which includes an agreement by MCMCO and SEIU employees

to pay their retirement contribution. The MOUs need to be approved by the Board in order for this Resolution to be effective. If the Board does not approve the MOUs, then this Resolution will not be valid.

**BACKGROUND AND HISTORY OF BOARD ACTIONS:**

The Board has approved CalPERS Resolutions in the past pertaining to employee retirement amendments. Most recently, the Board adopted Resolution No. 14-567 which approved the payment of EPMC for employees in the Deputy Sheriff's Association and Sheriffs' Management Association. Instead of the County paying the entire 9% of the employee's retirement contribution for employees in these two units, the County is paying 3% and employees are paying 6% of the 9% employee retirement contribution.

**ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:**

Without passage of this Resolution, the County cannot implement the changes allowing for employees to participate in funding their retirement.

**ATTACHMENTS:**

**MCMCO and SEIU EPMC Res 2015#1 (DOC)**

**CAO RECOMMENDATION**

Requested Action Recommended

*Mary Hodson*

Mary Hodson, County Administrator 3/14/2015

**RESULT: ADOPTED [4 TO 0]**

**MOVER:** Marshall Long, District III Supervisor

**SECONDER:** Rosemarie Smallcombe, District I Supervisor

**AYES:** Rosemarie Smallcombe, Merlin Jones, Marshall Long, Kevin Cann

**RECUSED:** John Carrier

**MARIPOSA COUNTY RESOLUTION NO. 15-112**

**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;

**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);

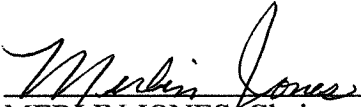
**WHEREAS**, the governing body of the County of Mariposa has identified the following conditions for the purpose of its election to pay EPMC:

- This benefit shall apply to all employees of the Management and Confidential group, code 002, and the General Employees (SEIU) group, code 003.
- This benefit shall consist of paying 5% of the normal member contributions as EPMC, and reporting the same percent (5%) of compensation earnable, excluding Government Code Section 20636(c)(4), as additional compensation.
- The effective date of this Resolution shall be April 1, 2015.

**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 10<sup>th</sup> day of March, 2015 by the following vote:

**AYES:** SMALLCOMBE, JONES, LONG, CANN  
**NOES:** NONE  
**ABSTAINED:** NONE  
**RECUSED:** CARRIER

  
\_\_\_\_\_  
MERLIN JONES, Chair  
Board of Supervisors

**ATTEST:**

**APPROVED AS TO FORM:**

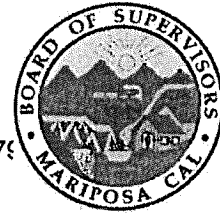
  
\_\_\_\_\_  
RENÉ LaROCHE, Clerk of the Board

  
\_\_\_\_\_  
STEVEN W. DAHLEM, County Counsel



# MARIPOSA COUNTY

Human Resources/Risk Management • (209) 742-1375



## **RESOLUTION - ACTION REQUESTED 2015-129**

MEETING: March 24, 2015  
TO: The Board of Supervisors  
FROM: Steve Johnson, Human Resources Director - Risk Manager  
RE: Rescind and Replace Resolution No. 15-112 - EPMC

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### **RECOMMENDATION AND JUSTIFICATION:**

Rescind Resolution No. 15-112 and Approve replacing it with a Resolution which correctly defines the amount of the Employer Paid Member Contributions ("EPMC") to be paid to the California Public Employees' Retirement System ("CalPERS") for employees in the Mariposa County Managerial and Confidential Organization ("MCMCO") bargaining unit and the Service Employees International Union Local 521 ("SEIU") bargaining unit Memorandums of Understanding ("MOU's") effective April 1, 2015.

At their meeting on March 10, 2015, the Board adopted Resolution No. 15-112 which correctly authorizes the County to pay 5% of the EPMC to CalPERS for employees in the MCMCO and SEIU bargaining units.

However, at the request of the County Auditor's Office, staff is now returning to the Board and is recommending rescinding Resolution Number 15-112 with an updated Resolution to reflect the following:

- The Resolution should indicate that the County will pay 5% of the EPMC for employees who receive the 2.7% @ 55 retirement formula and 4% of the EPMC for employees who receive the 2% @ 55 retirement formula (with MCMCO and SEIU covered employees paying 3%) in year one of their MOUs.
- The Resolution should indicate that the County has two retirement tiers and the percentage that the County agreed to in recent negotiations differs as well. Although the Board staff report appropriately reflected the two retirement tiers, which are 2.7% @ 55 and 2% @ 55, and the employee retirement contribution was properly reflected (8% and 7% for each tier, respectively), the actual Resolution didn't delineate this information.

By rescinding and replacing Resolution No. 15-112 with this amended Resolution, it will appropriately reflect the County's and the Unions' MOU's that were ratified by the bargaining units and in turn approved by the Board on March 10, 2015.

As noted in the Board staff report of March 10, 2015, in order to reduce the County's retirement contribution to zero at the end of the third year of the MOUs, two additional

Resolutions will be brought before the Board: one Resolution will be brought to the Board later this year to be effective November 1, 2015 and an additional Resolution will be brought to the Board to be effective November 1, 2016. After the November 2016 Resolution is adopted, the County will no longer be paying the employee retirement contribution and employees will be paying the entire contribution.

Consistent with the State of California Public Employee's Pension Reform Act ("PEPRA"), this action does not apply to those employees hired on or after January 1, 2013, who did not have prior CalPERS service or had a break in service from a CalPERS agency for more than six months.

**BACKGROUND AND HISTORY OF BOARD ACTIONS:**

At their meeting of March 10, 2015, the Board of Supervisors adopted Resolution No. 15-112 which authorized the County to pay 5% of the EPMC for employees in the MCMCO and SEIU bargaining unit.

**ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:**


Without passage of this Resolution, the County cannot correctly implement the agreed upon payments of EPMC pursuant to recently negotiated MOUs with MCMCO and SEIU.

**ATTACHMENTS:**

EPMC Res No 15-112 (PDF)  
MCMCO and SEIU EPMC Res 2015#1 (DOC)

**CAO RECOMMENDATION**

Requested Action Recommended

  
\_\_\_\_\_  
Mary Hoatson, CAO 3/19/2015

**RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]**  
**MOVER:** Kevin Cann, District IV Supervisor  
**SECONDER:** Marshall Long, District III Supervisor  
**AYES:** Rosemarie Smallcombe, Merlin Jones, Marshall Long, Kevin Cann  
**EXCUSED:** John Carrier