RECOMMENDED ACTION AND JUSTIFICATION:
Adopt a Resolution of Intention to approve an amendment to the contract with CalPERS to provide for a change to the retirement formula for miscellaneous employees from 2.7% @55 to 2% @55 and for safety employees from 3% @50 to 3% @55; this amendment will further provide for three-year final compensation at retirement from one-year final compensation.

One of the provisions agreed to by all four bargaining units [Service Employees International Union Local 521 (SEIU); Mariposa County Managerial and Confidential Organization (MCMCO); Deputy Sheriffs’ Association (DSA); Sheriffs’ Management Association (SMA)] was to change the retirement formula for new employees hired after a specific date. All groups also agreed to change the final compensation at retirement from one-year to three years. This Resolution of Intention is the first step in effecting this change.

There will be decreases in the employer rate as employees are hired into the second tier. The miscellaneous member contribution rate affected by this amendment will be 7% of reportable earnings in excess of $133.33 after the effective date of the amendment to the contract. For safety members (DSA and SMA), the employer contribution rate will be 20.308% of reportable earnings for those entering membership for the first time in the safety classification after the effective date of this amendment to the contract.

BACKGROUND AND HISTORY OF BOARD ACTIONS
At their meeting of May 17, 2011, the Board had approved a Resolution of Intention to amend the contract with CalPERS, however, it did not include the three-year final compensation provision. This Resolution of Intention includes both a change to the retirement formula for new hires after a certain date as well as change the final compensation from one year to three years.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

Financial Impact? [ ] Yes [ ] No
Budgeted in Current FY? [ ] Yes [ ] No [ ] Partially Funded
Amount in Budget: $ $$
Additional Funding Needed: $ $
Source:
Internal Transfer
Unanticipated Revenue
Transfer Between Funds
Contingency
( ) General ( ) Other

Resolution of Intention

The foregoing instrument is a correct copy of the original on file in this office.

Date:

Attest: MARGIE WILLIAMS, Clerk of the Board
County of Mariposa, State of California

( ) Minute Order Attached ( ) No Action Necessary

By:

Deputy

Revised August 2011
RESOLUTION OF INTENTION
TO ADOPT AN AMENDMENT TO CONTRACT
BETWEEN THE
BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
AND THE
BOARD OF SUPERVISORS
COUNTY OF MARIPOSA

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement System by the execution of a contract, and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law; and

WHEREAS, one of the steps in the procedures to amend this contract is the adoption by the governing body of the public agency of a resolution giving notice of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

WHEREAS, the following is a statement of the proposed change:

Section 20475 (Different Level of Benefits). Section 21354 (2% @ 55 Modified formula) and Section 20037 (Three-Year Final Compensation) are applicable to local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract.

Section 20475 (Different Level of Benefits). Section 21363.1 (3% @ 55 Modified formula) and Section 20037 (Three-Year Final Compensation) are applicable to local safety members entering membership for the first time in the safety classification after the effective date of this amendment to contract.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the above agency does hereby give notice of intention to approve an amendment to the contract between said public agency and the Board of Administration of the Public Employees' Retirement System, a copy of said amendment being attached hereto, as an "Exhibit" and by this reference made a part hereof.

By: [Signature]
Presiding Officer
Jim Allen

Date adopted and approved
September 6, 2011

(Amendment)
CON-302 (Rev. 4/96)
EXHIBIT

California
Public Employees’ Retirement System

AMENDMENT TO CONTRACT
Between the
Board of Administration
California Public Employees’ Retirement System
and the
Board of Supervisors
County of Mariposa


Pursuant to Government Code sections 20460.1, 20469.1, subdivision (b), and 71624, this contract is hereby amended to add the Trial Court of Mariposa County, hereinafter referred to as Trial Court, as a contracting party. Trial Court shall participate in the Public Employees’ Retirement System from and after the implementation date of the Trial Court Employment Protection and Governance Act pursuant to the terms and conditions of this contract, making its employees members of said System subject to all provisions of the Public Employees’ Retirement Law except such as apply only on election of a contracting agency and are not provided for in this contract and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.”

A. Paragraphs 1 through 13 are hereby stricken from said contract as executed effective July 1, 2003, and hereby replaced by the following paragraphs numbered 1 through 16 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for local miscellaneous members; age 50 for local safety members entering membership in the safety classification on or prior to the effective date of this amendment to contract and age 55 for local safety members entering membership for the first time in the safety classification after the effective date of this amendment to contract.

2. Public Agency shall participate in the Public Employees' Retirement System from and after July 1, 1961 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorneys fees that may arise as a result of any of the following:

   (a) Public Agency’s election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency’s prior non-CalPERS retirement program.

   (b) Public Agency’s election to amend this Contract to provide retirement benefits, provisions or formulas that are different than existing retirement benefits, provisions or formulas.

   (c) Public Agency’s agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees’ Retirement Law.

   (d) Public Agency’s election to file for bankruptcy under Chapter 9 (commencing with section 901) of Title 11 of the United States Bankruptcy Code and/or Public Agency’s election to reject this Contract with the CalPERS Board of Administration pursuant to section 365, of Title 11, of the United States Bankruptcy Code or any similar provision of law.

   (e) Public Agency’s election to assign this Contract without the prior written consent of the CalPERS’ Board of Administration.
(f) The termination of this Contract either voluntarily by request of Public Agency or involuntarily pursuant to the Public Employees’ Retirement Law.

(g) Changes sponsored by Public Agency in existing retirement benefits, provisions or formulas made as a result of amendments, additions or deletions to California statute or to the California Constitution.

4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:

   a. Local Fire Fighters (herein referred to as local safety members);

   b. County Peace Officers (included as local safety members);

   c. Employees other than local safety members (herein referred to as local miscellaneous members).

5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:

   a. PERSONS COMPENSATED ON AN HOURLY AND OR PER DIEM BASIS ON OR AFTER OCTOBER 1, 1968.

6. The percentage of final compensation to be provided for each year of credited prior and current service as a local miscellaneous member in employment before and not on or after January 1, 2003 shall be determined in accordance with Section 21354 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2% at age 55 Modified and Full).

7. The percentage of final compensation to be provided for each year of credited prior and current service as a local miscellaneous member in employment on or after January 1, 2003 and not entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract shall be determined in accordance with Section 21354.5 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2.7% at age 55 Modified and Full).

8. The percentage of final compensation to be provided for each year of credited current service as a local miscellaneous member entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract shall be determined in accordance with Section 21354 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2% at age 55 Modified).
9. The percentage of final compensation to be provided for each year of credited prior and current service as a local safety member entering membership in the safety classification on or prior to the effective date of this amendment to contract shall be determined in accordance with Section 21362.2 of said Retirement Law subject to the reduction provided therein for Federal Social Security (3% at age 50 Modified).

10. The percentage of final compensation to be provided for each year of credited current service as a local safety member entering membership for the first time in the safety classification after the effective date of this amendment to contract shall be determined in accordance with Section 21363.1 of said Retirement Law subject to the reduction provided therein for Federal Social Security (3% at age 55 Full).

11. Public Agency elected and elects to be subject to the following optional provisions:

   a. Section 20437 ("County Peace Officer" shall include constables, deputy constables, marshals and deputy marshals as described in Government Code Section 20437).

   b. Section 21222.1 (One-Time 5% Increase - 1970). Legislation repealed said Section effective January 1, 1980.

   c. Section 21222.2 (One-Time 5% Increase - 1971). Legislation repealed said Section effective January 1, 1980.

   d. Section 20439 ("County Peace Officer" shall include county jail, detention or correctional facility employees as described in Government Code Section 20439).

   e. Section 20614, Statutes of 1978, (Reduction of Normal Member Contribution Rate). From June 1, 1979 and until July 31, 1982, the normal local miscellaneous member and local safety member contribution rate shall be 3.5%. Legislation repealed said Section effective September 29, 1980.

   f. Section 21024 (Military Service Credit as Public Service).

   g. Section 20690, Statutes of 1980, (To Prospectively Revoke Section 20614, Statutes of 1978).

   h. Section 20903 (Two Years Additional Service Credit).

   i. Section 20965 (Credit for Unused Sick Leave) for local miscellaneous members only.

   j. Section 21023.5 (Public Service Credit for Peace Corps, AmeriCorps VISTA, or AmeriCorps Service).
k. Section 20042 (One-Year Final Compensation) for local miscellaneous members and local safety members entering membership on or prior to the effective date of this amendment to contract.

l. Section 20438 ("County Peace Officer" shall include probation officers, deputy and assistant probation officers, juvenile hall employees, and persons employed as peace officers pursuant to Section 830.5 of the Penal Code as described in Government Code Section 20438).

m. Section 20475 (Different Level of Benefits), Section 21354 (2% @ 55 Modified formula) and Section 20037 (Three-Year Final Compensation) are applicable to local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract.

Section 21363.1 (3% @ 55 Modified formula) and Section 20037 (Three-Year Final Compensation) are applicable to local safety members entering membership for the first time in the safety classification after the effective date of this amendment to contract.

12. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on June 1, 1979. Accumulated contributions of Public Agency shall be fixed and determined as provided in Government Code Section 20834, and accumulated contributions thereafter shall be held by the Board as provided in Government Code Section 20834.

13. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.

14. Public Agency shall also contribute to said Retirement System as follows:

a. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.

b. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.
15. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.

16. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the ___ day of ____________, ______.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY
DARRYL WATSON, CHIEF
CUSTOMER ACCOUNT SERVICES DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BOARD OF SUPERVISORS
COUNTY OF MARIPOSA

BY
PRESIDING OFFICER

Witness Date

Attest:

Clerk
CERTIFICATION OF GOVERNING BODY'S ACTION

I hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the

Board of Supervisors
(governing body)

County of Mariposa
(public agency)

on September 6, 2011
(date)

Margie Williams
Clerk of the Board
Title
CERTIFICATION OF COMPLIANCE WITH GOVERNMENT CODE SECTION 7507

I hereby certify that in accordance with Section 7507 of the Government Code the future annual costs as determined by the System Actuary for the

change in retirement benefit(s) have been made public at a public meeting of the

Board of Supervisors

(governing body)

County of Mariposa

(public agency)

on September 6, 2011 which is at least two weeks prior to the adoption of the

date

Resolution/Ordinance.

Adoption of the retirement benefit increase/change will not be placed on the consent calendar.

Date 9-7-11

Clerk/Secretary

Margie Williams

Title

Clerk of the Board
CERTIFICATION OF COMPLIANCE WITH
GOVERNMENT CODE SECTION 20475

I hereby certify that the __________________________ of the
(governing body)

County of Mariposa
(public agency)

has fully discharged all of the obligation imposed by Chapter 10 (commencing with
Section 3500) of Division 4 of Title 1, Government Code.

By __________________________
Richard J. Benson
County of Mariposa
Title

Witness

Date

PERS-CON-30 (Rev. 1/96)