



CITY COUNCIL AGENDA REPORT

MEETING DATE: AUGUST 4, 2009

ITEM NUMBER:

SUBJECT: RESOLUTION TO GRANT ANOTHER DESIGNATED PERIOD FOR TWO YEARS
ADDITIONAL SERVICE CREDIT - MISCELLANEOUS MEMBERS OF CALPERS

DATE: JULY 23, 2009

FROM: ADMINISTRATIVE SERVICES DEPARTMENT/HUMAN RESOURCES DIVISION

PRESENTATION BY: DEBRA YASUI, HUMAN RESOURCES ADMINISTRATOR/RISK

FOR FURTHER INFORMATION CONTACT: DEBRA YASUI, HUMAN RESOURCES ADMINISTRATOR
RYAN THOMAS, HUMAN RESOURCES ANALYST

RECOMMENDATION:

Adopt "Resolution to Grant another Designated Period for Two Years Additional Service Credit" __ (Attachment I) for Miscellaneous members of the California Public Employees' Retirement System (CalPERS).

BACKGROUND:

The City contracts with CalPERS for retirement benefits for all full-time and some eligible part-time employees who qualify for retirement benefits. "Two Years Additional Service Credit" is a CalPERS contracted benefit designed to assist agencies during periods of economic or financial crisis. In particular, it provides an incentive for retirement through additional service credit and may only be offered in the event of impending mandatory transfers, demotions or layoffs. The decision to retire and accept this benefit is strictly voluntary.

At the City Council meeting of July 21, 2009 the process was initiated to provide "Two Years Additional Service Credit" for eligible City employees. This included a disclosure of costs and authorization to execute the required CalPERS certification documents. As the City's contract with CalPERS has already been amended to provide the benefit for miscellaneous (non-safety) members, the next step for this group is adoption of the above-referenced Resolution which provides the designated retirement window period and specifies the eligible members (City's miscellaneous employees).

The City is in the process of amending the contract with CalPERS to include this benefit for safety members. At the City Council meeting of August 18, 2009, the following are planned for presentation to the City Council for action: Adoption of urgency ordinance to amend the contract for the Safety group and second reading and adoption of a non-urgency ordinance to amend the contract for the Safety group.

ANALYSIS:

The City is currently in discussions with the various employee associations to discuss the elements of the “ten point” plan which is included in the management budget strategies for fiscal year 2009/10. Based upon these discussions, it is recommended that the retirement window period for the Miscellaneous group be designated as August 18, 2009, though December 31, 2009. Commencing the window period on August 18, 2009, ensures that CalPERS will have sufficient time to process and approve the attached Resolution and required documents. Pursuant to Government Code Section 20903 (“Two Years Additional Service Credit”), a member must be in employment status and retire during the designated period, and the retirement date may not be the first day of the designated period. As such, the earliest date that eligible employees may retire is August 19, 2009.

ALTERNATIVES CONSIDERED:

Requirements of Meet and Confer as referenced in Government Code Section 3500 et seq. (Meyers-Milias-Brown Act) and Meet and Consult have been fulfilled. If CalPERS adoption requirements are met, no other alternatives are being considered.

FISCAL REVIEW:

A full cost disclosure of providing two years additional services credit was included in the staff report presented at the City Council meeting of July 21, 2009.

LEGAL REVIEW:

The attached Resolution Number ___ has been reviewed by the City Attorney and is approved as to form.

CONCLUSION:

One component of the City’s “ten point” budget strategy plan for fiscal year 2009/10 is to offer the CalPERS retirement incentive of “Two Years Additional Service Credit” to create vacancies within the City. Staff recommends that the City Council authorize and approve the Resolution granting another designated retirement window period for Miscellaneous employees and the procedural steps as required by CalPERS.

STEPHEN N. MANDOKI
Director of Administrative Services

MARC R. PUCKETT
Director of Finance

KIMBERLY HALL BARLOW
City Attorney

DISTRIBUTION: City Manager
City Attorney
City Clerk
Director of Finance

ATTACHMENTS: | [Resolution to Grant Another Window Period for Two Years
Additional Service Credit \(Miscellaneous Employees\)](#)

Two Years Addl Svc Credit

7-23-09

2pm