Agenda Item Number: #5

Agenda Report Review by:
City Manager

**CITY OF SEBASTOPOL**
**CITY COUNCIL**
**STAFF REPORT**

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| **Meeting Date:** | November 1, 2016 |
| **To:** | Honorable Mayor and City Councilmembers |
| **From:** | Ana Kwong – Finance Director |
| **Subject:** | Approval of Waiving of Second Reading and Adoption of Ordinance to Amendment to the Contract Between the Board of Administration of the California Public Employees' Retirement System (CalPERS) and the City of Sebastopol to Include Provisions Pursuant to Government Code 20516 "Cost Sharing" for Local Sebastopol Police Officers Association (SPOA) Members in Accordance with the Previously Approved Comprehensive Memorandum of Understanding |
| **Recommendation:** | That the City Council Adopt the Final Reading of Ordinance to Approve an Amendment to the Contract Between the Board of Administration of the California Public Employees' Retirement System (CalPERS) and the City of Sebastopol to Include Provisions Pursuant to Government Code 20516 "Cost Sharing" for Local Sebastopol Police Officers Association (SPOA) Members in Accordance with the Previously Approved Comprehensive Memorandum of Understanding |
| **Funding:** | Currently Budgeted: ____(YES) __(NO) _xxx__(N/A)<br>Net General Fund Cost: $<br>If Cost to Other Fund(s): |

**INTRODUCTION:**

This item is to request the City Council Adopt the Final Reading to Approve an Amendment to the Contract Between the Board of Administration of the California Public Employees' Retirement System (CalPERS) and the City of Sebastopol to Include Provisions Pursuant to Government Code 20516 "Cost Sharing" for Local Sebastopol Police Officers Association (SPOA) Members in Accordance with the Previously Approved Comprehensive Memorandum of Understanding

**BACKGROUND:**

The Public Employees Retirement System (PERS) is very specific in its requirement for any changes to the contract defining benefits for employees enrolled in the system. At the City Council Meeting on September 20, 2016, the City Council adopted Resolution No. 6105 approving the "Resolution of Intention" to approve an amendment to the contract between the Board of Administration of the California Public Employees' Retirement System and the

City of Sebastopol. At the City Council Meeting on October 18, 2016, the City Council adopted the First Reading of Ordinance to approve an amendment to the contract between the Board of Administration of the California Public Employee's Retirement System (CalPERS) and the City of Sebastopol to include provisions pursuant to Government Code 20516 "Cost Sharing" for Local Sebastopol Police Officers Association (SPOA) members in accordance with the approved comprehensive memorandum of understanding.

**DISCUSSION:**

CalPERS requires that clearly defined procedures be followed for contract amendments. The following steps are being taken in order to complete the contract amendment process:

- The City Council must adopted a Resolution of Intention – September 20, 2016 Resolution No. 6105 (fulfilled)

- Government Code Section 20474 requires employee election affected whenever the contract is amended to change the employees' rate of contribution. This election must be held for the contract group following the adoption of the Resolution of Intention, and prior to the adoption of the Ordinance to amend the CalPERS contract. The election is scheduled to be conducted after September 20, 2016. (fulfilled)

- The Ordinance, which will be the First Reading Ordinance, and a City Council vote on adoption, must occur no sooner than 20 days after the adoption of the Resolution of Intention. This First Reading Ordinance was presented to the City Council for adoption on October 18, 2016. (fulfilled)

- The Ordinance, which will be the approval of Waiving of Second Reading and Adoption of Ordinance to Amendment to the Contract between CalPERS and the City of Sebastopol to Include Provisions Pursuant to Government Code 20516 "Cost Sharing" for Local Sebastopol Police Officers Association (SPOA) Members is presented to the City Council for adoption on November 1, 2016.

- The effective date of the contract amendment must be the first day of a payroll period and may not be earlier than the day following the effective date of the Final Reading Ordinance. The contract amendment effective date is anticipated to be December 1, 2016 for December 15 CalPERS payroll reporting.

**RECOMMENDATION:**

That the City Council Approve of Waiving of Second Reading and Adoption of Ordinance to Amendment to the Contract Between the Board of Administration of the California Public Employees' Retirement System (CalPERS) and the City of Sebastopol to Include Provisions Pursuant to Government Code 20516 "Cost Sharing" for Local Sebastopol Police Officers Association (SPOA) Members in Accordance with the Previously Approved Comprehensive Memorandum of Understanding.

**Attachment:**

Ordinance

ORDINANCE NO. 1092

An Ordinance of the City Council of the City of Sebastopol authorizing an amendment to the contract between the City Council of the Coty of Sebastopol and the Board of Administration of the California Public Employees' Retirement System.

The City Council of the City of Sebastopol does ordain as follows:

Section 1.

That an amendment to the contract between the City Council of the City of Sebastopol and the Board of Administration , California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto, market Exhibit, and by such reference made a part hereof as though herein set out in full.

Section 2.

The Mayor of the City Council is hereby authorized, empowered, and directed to execute said amendment for and on behalf of said Agency.

Section 3.

This Ordinance shall take effect 30 days after the date of its adoption, and prior to the expiration of 30 days from the passage thereof shall be published at least once in the West County Times and News, a newspaper of general circulation, published and circulated in the City of Sebastopol and thenceforth and thereafter the same shall be in full force and effect.

Approved for First Reading and Introduction on this 18th day of October, 2016.

Approved for Second Reading and Adoption at the November 1st 2016 City Council Meeting.

APPROVED: _____

Presiding Officer
Sarah Glade Gurney, Mayor

VOTE:
AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

_____

Mary Gourley, Assistant City Manager/City Clerk, MMC

APPROVED AS TO FORM:

_____

Larry McLaughlin, City Attorney