

STAFF MEMORANDUM FOR CITY COUNCIL MEETING

TO: Honorable City Council

FROM: Gene Albaugh, City Manager 

Catrina Andes, Finance and Human Resource Director 

SUBJECT: CalPers - Contract Amendment

DATE: April 7, 2010

Recommendation:

Staff recommends that the City Council adopt the following Resolution of Intention and Exhibit Amendment to the contract between the City of Nevada City and CalPERs to modify retirement formulas, and to hear the first reading of the Ordinance.

Background/Discussion:

The City of Nevada City Council is amending the contract with CalPERs to add a second tier of retirement formulas for new employees hired after the date of the effective contract amendment. The new contract will provide;

Section 20475 (Different Level of Benefits. Section 21353 2% @ 60 modified formula) will be applicable to local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract, and Section 20475 (Different Level of Benefits. Section 21369 2% @ 55 modified formula) is applicable to local safety members entering membership for the first time in the safety classification after the effective date of this amendment to contract.

CalPERs actuary performed a contract amendment cost analysis which was based on the most recent annual valuation. The member contributions rate will be 7.209% of reportable earnings for local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of the amendment to contract.

The employer contribution rate will be 12.199% of reportable earnings for local safety members entering membership for the first time in the safety classification after the effective date of the amendment to contract.

An agency can only amend its contract to provide a different level of benefits once every three years with respect to each of the member categories.

ORDINANCE 2010-03

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEVADA CITY
AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY
COUNCIL OF THE CITY OF NEVADA CITY AND THE BOARD OF
ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEE'S
RETIREMENT SYSTEM**

WHEREAS, the City Council of the City of Nevada City does ordain as follows:

Section 1.

That an amendment to the contract between the City Council of the City of Nevada City and the Board of Administration, California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked 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 become effective 30 days after the adoption date thereof and within 15 days of the passage of this Ordinance, the City Clerk shall publish this Ordinance in the Union, a newspaper of general circulation.

PASSED AND ADOPTED at the regular meeting of the City Council of the City of Nevada City on the ____ day of _____, 2010.

AYES:

NOES:

ABSENT:

ABSTAIN:

Reinette Senum, Mayor

ATTEST:

Niel Locke, City Clerk

RESOLUTION NO. 2010-XX

AMENDMENT TO RESOLUTION 2010-20 OF THE CITY COUNCIL OF NEVADA CITY APPROVING A CONTRACT WITH THE OFFICIAL PAYMENTS CORPORATION PROVIDING FOR CREDIT/DEBIT CARD TRANSACTIONS

WHEREAS, the City Council of Nevada City was provided an overview presentation on February 24, 2010 by E. Christina Dabis and Rolando Navarro of Official Payments Corporation; and

WHEREAS, Official Payments is a leading provider of electronic payment solutions for the federal, states, local municipalities and colleges and universities for more than 10 years, and

WHEREAS, there will be no financial impact to the City for providing these services for utility payments only at this time; and

WHEREAS, A convenience fee of 2% to 3% of the transaction, or a minimum of \$4.95 will be charged to the customers for the use of this service, which will be automatically calculated.

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Nevada City hereby approves the contract with Official Payments Corporation and authorizes the Mayor to sign the contract on behalf of the City.

PASSED AND ADOPTED at the regular meeting of the City Council of the City of Nevada City on the 12th day of May, 2010 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Reinette Senum, Mayor

ATTEST:

Niel Locke, City Clerk