

SAUSALITO-MARIN CITY SANITARY DISTRICT

RESOLUTION NO. 989

**A RESOLUTION, AMENDING RESOLUTION NO. 974,
CONCERNING SALARIES AND BENEFITS
FOR THE UNREPRESENTED EMPLOYEES GROUP**

The District Board of the Sausalito-Marin City Sanitary District (SMCSD) finds and determines as follows:

WHEREAS, It is appropriate to set forth in written form the terms and conditions for service in the District employees' classification, compensation and benefits, as established by Rule 25 of the District Personnel Rules; and

WHEREAS, the SMCSD has completed an analysis of District employee benefit and retirement costs and has determined that a cost share arrangement is necessary to reduce the District's pension liability and to establish a IRS approved Section 115 retirement health care trust; and

WHEREAS, the SMCSD has negotiated in good faith with the unrepresented employees group to determine a cost share arrangement to achieve the District's objective of having sustainable pension and retirement health care plans; and

WHEREAS, the SMCSD has a contract for participation in the California Public Employees Retirement System (CalPERS). The provisions of the contract shall remain in full effect.

WHEREAS, the SMCSD governing body has implemented the provisions of Government Code Section 20691 and Internal Revenue Code Section 414(h)(2); and

WHEREAS, the SMCSD has elected, per Resolution No. 922, that normal unrepresented employee paid member contributions (EPMC) are to be paid by SMCSD in lieu of contributions by the employees who are members of the CalPERS; and

WHEREAS, the SMCSD has now elected to implement a cost sharing arrangement with the unrepresented employees to gradually reduce the District paid EPMC from 8 percent to 0 percent over a six-year period; and

WHEREAS, under the cost sharing arrangement, unrepresented employees will reimburse the SMCSD for their required member contributions as a gross salary payroll deduction subject to 414(h)(2) on a tax-deferred basis to the extent allowed by Federal and State law; and

WHEREAS, the cost sharing arrangement is applicable to all active unrepresented employees and any new employees that are CalPERS members. The cost share arrangement excludes "New Members" as defined by the California Public Employees' Pension Reform Act (PEPRA); and

NOW, THEREFORE, BE IT RESOLVED the SMCS D has elected the following benefit cost share arrangement with the unrepresented employees group:

I. SALARIES AND MISCELLANEOUS COMPENSATION

A. Classification and Compensation

- a. The salaries of the classifications in the unrepresented employees group are amended as listed in Exhibit A and are hereby incorporated in and made a part of this Resolution. The salaries have been changed to reflect a cost of living increase of 2.7%, effective July 1, 2013.
- b. The salaries of the classifications in the unrepresented employees group will be changed to reflect the following minimum cost of living increases, effective July 1 of each fiscal year. Any cost of living increase above the minimum listed below will be negotiated on an annual basis.

Fiscal Year 2014/15	1.2%
Fiscal Year 2015/16	1.2%
Fiscal Year 2016/17	1.2%
Fiscal Year 2017/18	1.2%
Fiscal Year 2018/19	1.2%

B. Benefits

- a. Each employee in the unrepresented group who is not a "New Member" as defined by the California Public Employees' Pension Reform Act (PEPRA), will reimburse the District for the EPMC contribution as a 2 percent gross salary payroll deduction, effective the first payroll period possible, following adoption of this resolution.
- b. Each employee in the unrepresented group who is not a "New Member" as defined by PEPRA, will reimburse the District for the EPMC contribution per the payment schedule below as a total gross salary payroll deduction, effective July 1 of each fiscal year.

Fiscal Year 2014/15	3.2%
Fiscal Year 2015/16	4.4%
Fiscal Year 2016/17	5.6%
Fiscal Year 2017/18	6.8%
Fiscal Year 2018/19	8.0%

- c. Each employee in the unrepresented group who is a "New Member" as defined by the PEPRA shall pay a member contribution equal to 50% of the total normal cost of the PERS benefit. New Members are not eligible to receive EPMC from the District.

II. OTHER

- a. All other terms and conditions shall be in accordance with the existing District Personnel Rules in effect as of the date of this Resolution.
- b. Except as amended by this Resolution, the remaining provisions of Resolution No. 974 remain in full force and effect.

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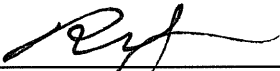
I hereby certify that the foregoing Resolution was duly and regularly adopted by the Board of Directors of the Sausalito-Marin City Sanitary District, Marin County, California, at a meeting held on September 3, 2013, by the following vote:

AYES, and in favor thereof, Directors: Arnott, Beers, Gergus, Rheiner, Ring

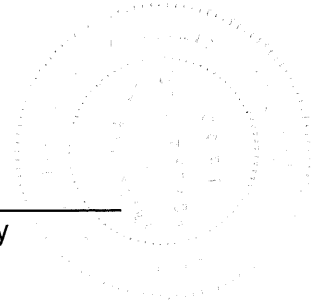
NOES, Directors:

ABSTAIN, Directors:

ABSENT, Directors:



Rebecca Vaughn, Secretary



APPROVED:



Raymond Gergus, Board President