

Departmental Presentations Human Resources Department





Department Summaries

- **Front Desk Receptionist Position - \$42,048**
- **Temp Staff Account Transfer to General Fund - \$38,118**
- **Increase in Contracts account for pre-employment and civil service appeals - \$75,000**
- **Pension Plan improvements - \$3,918,000**



Pension Plan Improvements

- As a result of the passage of the 5/8 Cent Operating Sales tax, an estimated amount of \$3,918,000 was designated for pension plan improvements.
 - \$500,000 Police Pension Plan
 - \$500,000 Fire Pension Plan
 - \$2,918,000 Non-Uniform Pension Plan



Pension Plan Improvements

- Police and Fire Pension Plans
- Covers Retired Police and Fire Employees hired before January 1, 1983. (All employees hired after this date participate in the State LOPFI Pension Plan)
- New funding for unfunded liability



Pension Plan Improvements

- Non-Uniform Pension Plan
- Covers all full-time non-uniform (non-sworn police and fire employees), approximately 900 employees
- Employees currently contribute a mandatory 3.5% of their salary to the plan after one year of employment.



Pension Plan Improvements

- History of Non-Uniform Plan
- City maintained a Defined Benefit Plan for employees hired before December 31, 1977.
- City changed to a Defined Contribution Plan for all non-uniform employees hired on or after January 1, 1978.
- The City maintained a contribution of 4% of the employee's salary up to January 1, 2012, when the amount increased to 7%.



Pension Plan Improvements

- Issues with current non-uniform pension plan:
 - Pension plan proceeds not sufficient to fund retirement
 - Retired employees have to re-enter the workforce because of insufficient retirement income
 - Employees are delaying retirement



Pension Plan Improvements

- Timeline of Pension Plan Changes
- January 2012 – Issued Request for Qualifications for Consultant to assist in reviewing plan design options
- February 2012 – Consultant hired, focus group meetings held
- March 2012 – Focus group data compiled
- July 2012 – Present proposed plan design changes to City Manager for approval
- January 2013 – implementation of new plan