

1 **CITY OF SANTA FE, NEW MEXICO**

2 **RESOLUTION NO. 2013-56**

3 **INTRODUCED BY:**

4  
5 Mayor Coss

6 Councilor Rivera

7 Councilor Bushee

8 Councilor Dimas

9  
10 **A RESOLUTION**

11 **AUTHORIZING THE CITY OF SANTA FE TO PAY UP TO 75% OF THE 1.5% INCREASE**  
12 **IN PERA CONTRIBUTIONS FOR ALL CITY EMPLOYEES, UNION AND NON-UNION,**  
13 **WHO EARN MORE THAN \$20,000 PER YEAR.**

14  
15 **WHEREAS**, the 2013 New Mexico Legislature enacted SB 27 that amended the Public  
16 Employees Retirement Act (the "Act") to alleviate PERA's increasing unfunded liability and  
17 deteriorating funded status; and

18 **WHEREAS**, SB 27 affects all current members and current retirees and amended many  
19 sections of the Act, most notably, adding a new benefit structure for new members on or after July 1,  
20 2013; changing the cost of living adjustments for current and future retirees; changing the employer  
21 and employee contribution rates; and allowing municipal affiliated public employers by resolution or  
22 by collective bargaining agreement to be responsible for up to 75% of their employees' retirement  
23 contributions under certain conditions; and

24 **WHEREAS**, the new law increased employee contribution rates by 1.5% beginning in FY14  
25 for employees that earn more than \$20,000 per year; and

1           **WHEREAS**, the new law increased employer contribution rates by 0.4% beginning in FY15;

2   and

3           **WHEREAS**, by FY15 the total increase in contribution rate is 1.9%; and

4           **WHEREAS**, the new law states that prior to July 1, 2013, a municipal affiliated public  
5 employer may elect by resolution *or by execution of a collective bargaining agreement (new*  
6 *language in italics)* to be responsible for making contributions of up to 75% of its employees'  
7 member contribution; and

8           **WHEREAS**, the new law states that if the City elects to pay up to 75% of employees'  
9 contribution, such election shall be made prior to July 1, 2013 and does not necessarily apply to any  
10 increase in the statutory employee contribution rate that may occur after that date, however, the new  
11 law does allow a municipal affiliated employer, by a resolution passed or by collective bargaining  
12 agreement signed on or after July 1, 2013, to elect to be responsible for paying up to 75% of any  
13 increases in the employee contribution rate; and

14           **WHEREAS**, the Governing Body desires to adopt a resolution, effective July 1, 2013 and by  
15 executed collective bargaining agreements in existence on July 1, 2013 to establish that the City will  
16 contribute up to 75% of its union and non-union employees' contributions and that City contribution  
17 applies to the union and non-union employee contribution rates in effect on June 30, 2013 and in  
18 effect on July 1, 2013.

19           **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**  
20 **CITY OF SANTA FE** that the Governing Body authorizes that:

- 21           1.     This Resolution shall be deemed effective July 1, 2013.
- 22           2.     Effective as of the first pay period beginning after July 1, 2013, the City elects to pay  
23           up to 75% of the 1.5% increase in PERA contributions for all city employees, union  
24           and non-union, who earn more than \$20,000, per year.
- 25           3.     All city employees, union and non-union, shall be responsible for the remaining

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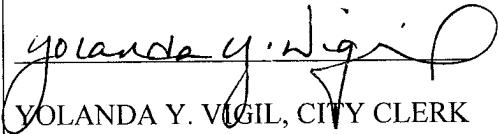
percentage of the of the 1.5% increase in PERA contributions, which increase shall  
be deducted from all city employees paychecks effective the first pay period  
beginning after July 1, 2013.

PASSED, APPROVED and ADOPTED this 29<sup>th</sup> day of May, 2013.



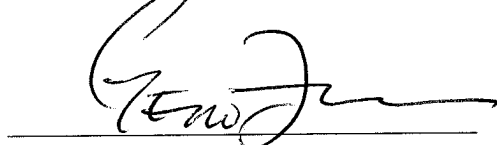
DAVID COSS, MAYOR

ATTEST:



YOLANDA Y. VIGIL, CITY CLERK

APPROVED AS TO FORM:



GENO ZAMORA, CITY ATTORNEY