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MANAGER'S OFFICE  
**RESERVED**  
MAR 15 1990

DEPARTMENT OF PERSONNEL

CITY OF SACRAMENTO  
CALIFORNIA

921 TENTH STREET  
ROOM 301  
SACRAMENTO, CA  
95814-2713

DONNA L. GILES  
DIRECTOR

March 20, 1990

916-449-5270

**APPROVED**  
BY THE CITY COUNCIL

DIVISION:  
ADMINISTRATION  
PERSONNEL SERVICES  
OCCUPATIONAL HEALTH  
SAFETY & RETIREMENT

City Council  
Sacramento, California

MAR 20 1990

Honorable Members in Session

OFFICE OF THE  
CITY CLERK

AG 90-005

SUBJECT: **AMENDMENT TO CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT  
NO. 88101-A PERTAINING TO ACTUARIAL SERVICES**

SUMMARY

This report recommends that the City Manager be authorized to amend the agreement for actuarial services with Towers, Perrin, Forster, and Crosby (TPF&C). The City Council approved funding of this agreement by Resolution No. 88-969 on November 9, 1988. This amendment is necessary due to the unanticipated additional work required of this firm regarding the transfer of active City safety members from the Sacramento City Employees Retirement System (SCERS) to the Public Employees Retirement System (PERS).

BACKGROUND

Measure "M", passed by the electorate on June 6, 1989, provided for the transfer of active safety members of SCERS to PERS. Implementation of this transfer has required our actuary to perform additional duties other than those outlined in the original agreement. The additional issues that the actuary has been requested to address are as follows:

- \* Analyzing the proper asset transfer amount.
- \* Helping various City of Sacramento staff members understand how the actuarial value of assets method at PERS works.
- \* Reviewing the report by the PERS actuary on the initial cost for the Safety group.
- \* Redoing the forecast of costs to see when the break-even point would occur on the basis of the new information since the first actuarial report.
- \* Discussing how to properly describe the impact of this change for voters to analyze.
- \* Calculating the amount to remain in the SCERS with Safety members who have retired.



City Council  
March 20, 1990  
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In addition to the above our actuary is currently working with the City Attorney with regard to some legal matters arising from the transfer of funds from SCERS to PERS.

**FINANCIAL**

An increase in the amount of \$20,000 is necessary to adequately fund our total obligation to TPF&C. Of this figure, \$15,000 is for the services listed above that have already been provided, with the remaining \$5000 designated for on-going consulting. The original agreement was for \$35,000.

**POLICY CONSIDERATIONS**

No impact.

**MBE/WBE EFFORTS**

No impact.

**RECOMMENDATION**

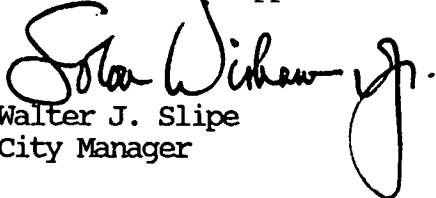
It is recommended that the City Council approve the attached resolution authorizing the City Manager to execute an amendment to City Agreement No. 88101-A.

Respectfully submitted,




Margaret Ann Allen  
Occupational Health, Safety & Retirement Manager

Recommendation Approved:



For: Walter J. Slipe  
City Manager

Approved:



Donna L. Giles  
Director of Personnel

Contact Person:  
Margaret Ann Allen  
449-5270

All Districts

**RESOLUTION NO. 90-200**

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

**RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN  
AMENDMENT TO CITY AGREEMENT NO. 88101-A, RELATING  
TO ACTUARIAL SERVICES**

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:

The City Manager is authorized to execute the attached Amendment to  
City Agreement No. 88101-A relating to actuarial services

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

**APPROVED**  
BY THE CITY COUNCIL

MAR 20 1990

OFFICE OF THE  
CITY CLERK

AG 90-005

**FOR CITY CLERK USE ONLY**

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_



OFFICE OF THE  
CITY CLERK

OPERATION SERVICES

CITY OF SACRAMENTO  
CALIFORNIA

CITY HALL  
ROOM 304  
915 I STREET  
SACRAMENTO, CA  
95814-2671

916-449-5426

March 27, 1990

Towers, Perrin, Forster and Crosby  
1925 Century Park E.  
Los Angeles CA 90067

On March 20, 1990, the Sacramento City Council adopted Resolution No. 90-200 authorizing the execution of Agreement No. 90-005 regarding amending AG88101A for Actuarial Services.

Enclosed, for your records, is one fully certified copy of said agreement and authorizing resolution.

Sincerely,

Valerie A. Burrowes  
City Clerk

mls/8.6  
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Enclosures

cc: Personnel  
Risk Management