Hem#12

City of Carson City Agenda Report

Date Submitted: Nov. 27, 2007

Agenda Date Requested: Dec. 6, 2007

Time Requested: 10 Minutes

To: Mayor and Supervisors

From: Sue Johnson, City Auditor

Subject Title: Action to authorize payment, in the amount of \$92,584.64, due PERS for the audit period June 2003 through November 2006.

Staff Summary: On September 14, 2006, a field audit was conducted by the Public Employee's Retirement Act to determine if the City of Carson was in compliance with PERS official Policy 1.27 as it relates to HOLIDAY PAY. The sample audit period reviewed approximately 50 of the City's employee's compensation calculations to determine if the City of Carson was in compliance with the Public Employee's Retirement Act and the System's policies and procedures for the three year audit period July 2003 through June 2006.

As a result of the field audit conducted, PERS identified that the City was not in compliance with PERS official Policy 1.27 as it relates to HOLIDAY PAY. In order to comply with the audit findings, the City is required to submit a 503 adjustment retroactively adding wages and contributions which were not properly reported to PERS for HOLIDAY PAY for the period June 2003 through November 2006. As a result of the 503 adjustment, the City is required to submit payment to the Public Employee's Retirement System in the amount of \$92,584.64 for contributions not properly reported. This payment consists of both the Employers and Employees contribution.

Type of Action Requested: (cneck one)	
Carrow Resolution Carrow Resolution Resolution Resolution	Ordinance Other (Status Report)
Does this action require a Business Impact S	Statement: () Yes (X) No

Recommended Board Action: I move to approve payment in the amount of \$92,584.64 to the Public Employee's Retirement System for additional contributions due for Holiday Pay for the period June 2003 through November 2006.

Explanation for Recommended Board Action: Per PERS official audit report, December 12, 2006 the City is required to comply with audit findings.

Applicable Statute, Code, Policy, Rule or Regulation:

Fiscal Impact: Unbudgeted expense for fiscal year 2007/2008.

Explanation of Impact:

Funding Source: The fiscal impact of \$92,584.64 will be charged to Intergovernmental Payment – Central Services; PERS Adjustment line item 101-0616-431-25-35

(Vote Recorded By)