



## Legislation Text

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**File #:** 23-0061, **Version:** 1

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Recommendation to adopt resolution approving a Letter of Agreement between the City of Long Beach and the Long Beach Management Association (LBMA) to amend the 2019-2023 LBMA Memorandum of Understanding. The amended provision is under the Pay for Performance section of the LBMA MOU Appendix E, Section V, Subsection C. (Citywide)

The City of Long Beach (City) plans to amend the 2019-2023 Long Beach Management Association (LBMA) Memorandum of Understanding (MOU), Appendix E - Pay for Performance (PFP), which applies to eligible LBMA employees evaluated under the annual Management Performance Appraisal (MPA). The City received correspondence from CalPERS recently that the PFP award in Appendix E is special compensation for LBMA Classic Members and shall be reported to CalPERS as pensionable compensation pursuant to Title 2 CCR, Section 571 (a)(1) and Section 571.1(b). As such, the City intends to amend the MOU language to reflect this change.

In accordance with Government Code Section 3505, the City noticed LBMA of this revision and sent a Letter of Agreement ("LOA") for their review and consideration. LBMA reviewed the LOA and agreed to move forward with the Letter of Agreement and the change to the PFP provision.

This matter was reviewed by Assistant City Attorney Gary J. Anderson and Budget Management Officer Nader Kaamoush on January 4, 2023.

City Council action is requested on January 24, 2023 and is effective following adoption by the City Council.

CalPERS confirmed that the PFP should be reported to CalPERS as pensionable compensation. The City intends to cover the employee's portion for any PFP's approved prior to this amendment since it was misclassified as being unreportable in the LBMA MOU. Approved PFPs are absorbed by the City department requesting to issue the incentive within its current appropriations in various funds. The additional cost for CalPERS will also be absorbed within various departments and funds. Once the amended provision has been approved by City Council, the employee would be responsible for their portion of the CalPERS deduction. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

JOE AMBROSINI  
DIRECTOR OF HUMAN RESOURCES

APPROVED:

THOMAS B. MODICA  
CITY MANAGER