



CITY OF LONG BEACH

R-21

DEPARTMENT OF HUMAN RESOURCES

333 West Ocean Boulevard 13th Floor • Long Beach, CA 90802

February 15, 2011

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach
California

RECOMMENDATION:

1. Adopt the attached Resolution for Paying and Reporting the Value of the Employer Paid Member Contributions (EPMC) to the California Public Employees' Retirement System for employees represented by the Long Beach Association of Engineering Employees;
2. Adopt the attached Resolution for Paying and Reporting the Value of the Employer Paid Member Contributions (EPMC) to the California Public Employees' Retirement System for unrepresented management employees in the Auditor's Office;
3. Adopt the attached Resolution for Paying and Reporting the Value of the Employer Paid Member Contributions (EPMC) to the California Public Employees' Retirement System for the Mayor, City Councilmembers, City Auditor, City Attorney, City Prosecutor and City Clerk; and,
4. Adopt the attached Resolution for Paying and Reporting the Value of the Employer Paid Member Contributions (EPMC) to the California Public Employees' Retirement System for unrepresented non-management employees. (Citywide)

DISCUSSION

A Resolution declaring impasse and authorizing implementation of the terms of the City's last, best and final offer to the Long Beach Association of Engineering Employees (LBAEE), pursuant to Government Code Section 3505.4 was adopted by City Council at its meeting on February 1, 2011. Pursuant to the impasse Resolution and pending the approval of the Employer Paid Member Contributions (EPMC) Resolution, new City employees represented by the LBAEE, hired on or after February 26, 2011, shall pay 100 percent of the member contribution which, at this time, is eight percent.

Unrepresented management employees in the Auditor's Office have agreed to pay an additional two percent of their member contribution to offset a salary adjustment. This decreases the amount the City pays and reports as the employer paid member contribution for these employees. The unrepresented management employees shall contribute an amount equal to four percent of their annual salary towards their individual employee contribution. The Resolutions also provide that new City employees hired as of February 26, 2011 by the Auditor's Office and are unrepresented management, shall pay 100 percent of the member contribution which, at this time, is eight percent.

The Mayor, City Councilmembers, City Auditor, City Attorney, City Prosecutor and City Clerk, have elected to contribute an additional 1.8 percent of their member contribution to offset their salary adjustment. This decreases the amount the City pays and reports as the employer paid member contribution for these employees. The Mayor, City Councilmembers, City Auditor, City Attorney, City Prosecutor and the City Clerk shall contribute an amount equal to 3.8 percent of their annual salary towards their individual employee contribution. The Resolutions also provide that new City Councilmembers, elected officials and/or a City Clerk appointed on or after February 26, 2011, shall pay 100 percent of the member contribution.

Lastly, new City employees that are unrepresented non-management Miscellaneous employees shall pay 100 percent of the member contribution. This change is effective February 26, 2011.

In order for the City to make changes to the EPMC, it is necessary for the City Council to adopt the attached Resolutions as prepared by the City Attorney.

This matter was reviewed by Senior Deputy City Attorney Christina Checel and Budget Management Officer Victoria Bell on January 31, 2011.

TIMING CONSIDERATIONS

City Council action is requested on February 15 2011, to ensure that these Resolutions are received by CalPERS for processing consistent with the effective date of the action.

FISCAL IMPACT

The estimated savings in FY 11 from the unrepresented management employees in the Auditor's Office paying an additional two percent, and the Mayor, City Councilmembers, City Auditor, City Attorney, City Prosecutor and the City Clerk paying an additional 1.8 percent of the employee contribution rate to CalPERS effective February 26, 2011 is \$21,922 in the General Fund and \$23,624 in all funds.

As new hires join the unrepresented management employees in the Auditor's Office, new City Council members are elected and new City Clerks are appointed, savings will be generated by those employees paying 100 percent of their member contribution. There is no local job impact associated with this recommendation.

SUGGESTED ACTION

Approve recommendation.

Respectfully submitted,



DEBORAH R. MILLS
DIRECTOR OF HUMAN RESOURCES

DRM:MME

APPROVED:



PATRICK H. WEST
CITY MANAGER

Attachments: 4 Resolutions

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1 RESOLUTION NO.
2

3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH IMPLEMENTING GOVERNMENT
5 CODE SECTION 20636(c)(4) PURSUANT TO SECTION
6 20691 BY PAYING AND REPORTING THE VALUE OF
7 EMPLOYER PAID MEMBER CONTRIBUTIONS FOR
8 ELECTED OFFICIALS AND THE CITY CLERK TO THE
9 CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT
10 SYSTEM (CalPERS)
11

12 WHEREAS, the City of Long Beach has the authority to implement
13 Government Code Section 20636(c)(4) pursuant to Section 20691; and

14 WHEREAS, the City of Long Beach has a written labor policy or agreement
15 which specifically provides for the normal member contributions to be paid by the
16 employer, and reported as special compensation; and

17 WHEREAS, one of the steps in the procedures to implement this section is
18 the adoption by the governing body of the City of Long Beach of a resolution giving notice
19 of its intention to commence paying and reporting the value of employer paid member
20 contributions (EPMC) as compensation for all members of the group or class as identified
21 herein.

22 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
23 follows:

24 Section 1. Effective as of February 26, 2011, the governing body of the City
25 of Long Beach shall implement Government Code Section 20636(c)(4) pursuant to
26 Section 20691 by paying and reporting the value of Employer Paid Member Contributions
27 (EPMC) for Elected Officials and the City Clerk. This benefit shall consist of the City
28 paying 4.2% of the normal contributions as EPMC, and reporting the same percent value

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1 of compensation earnable, excluding special compensation pursuant to Government
2 Code Section 20636(c)(4) as additional compensation. The employee shall pay 3.8% of
3 the normal contribution.

4 Section 2. New City employees hired on or after February 26, 2011, who
5 are elected officials and the City Clerk shall pay 100% of the normal contributions and the
6 City shall pay 0% of the normal contributions.

7 Section 3. This resolution shall take effect immediately upon its adoption
8 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

9 I hereby certify that the foregoing resolution was adopted by the City
10 Council of the City of Long Beach at its meeting of _____, 2011, by the
11 following vote:

12
13 Ayes: Councilmembers: _____

14 _____

15 _____

16 _____

17 Noes: Councilmembers: _____

18 _____

19 Absent: Councilmembers: _____

20 _____

21 _____

22 _____

23 _____
City Clerk