



Legislation Text

File #: 11-0160, **Version:** 1

Adopt resolution for paying and reporting the value of the Employer Paid Member Contributions to the California Public Employees' Retirement System for employees represented by the City Attorneys Association; and

City management representatives and representatives of the Long Beach City Attorneys Association (LBCAA) and the Long Beach City Prosecutors Association (LBCPA) have had a number of meet and confer sessions regarding the financial impacts of the Fiscal Year 2011 (FY11) budget. Meetings have been concluded and amendments to the Memorandum of Understanding (MOU) have been jointly signed by City representatives and representatives of the Long Beach City Attorneys Association and the Long Beach City Prosecutors Association.

The major provisions of the Amendments are: agreement to an additional two percent CalPERS pick-up in FY11 by employees; agreement to full CalPERS pick-up for new City employees; agreement to a lower retirement formula of 2.0% at 60; and three-year average final compensation for new employees represented by the two Associations.

Pursuant to the Amendments and pending approval of the Resolutions, effective February 26, 2011, employees represented by the LBCAA and the LBCPA shall pay an amount equal to four percent of their annual salary towards their individual employee contribution. The Resolutions also provide that new City employees represented by these Associations, hired on or after February 26, 2011, shall pay 100 percent of the member contribution, which, at this time, is eight percent.

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

This matter was reviewed by Deputy City Attorney Christina L. Checel January 28, 2011 and Budget Management Officer Victoria Bell on January 31, 2011.

City Council action is requested on February 15, 2011 to ensure implementation of the MOU Amendment provisions and that CalPERS receives these Resolutions for processing consistent with the effective date of the action.

The existing MOUs provide for a general salary adjustment of two percent and an equivalent two percent value for equity adjustments in FY11 with an estimated cost of \$131,370 to the General Fund and \$230,655 to all funds. Over the terms of the agreements, the total estimated savings from the additional two percent member contributions is \$166,982 to the General Fund and \$300,828 to all funds.

As new hires join the LBCAA and LBCPA, savings will be generated by those employees paying 100 percent of their member contribution. Future savings to the City will be realized as a result of the lower retirement formula of 2.0% at 60 and three-year average final compensation for new

employees in these two Associations, once all Miscellaneous associations agree to a new tier.

There is no local job impact associated with this recommendation.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH IMPLEMENTING GOVERNMENT CODE SECTION 20636(c)(4) PURSUANT TO SECTION 20691 BY PAYING AND REPORTING THE VALUE OF EMPLOYER PAID MEMBER CONTRIBUTIONS FOR MISCELLANEOUS EMPLOYEES REPRESENTED BY THE LONG BEACH CITY ATTORNEYS ASSOCIATION TO THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CaIPERS)

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APPROVED:

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CITY MANAGER