



AGENDA REPORT

Meeting Date: June 24, 2014

Item Number: F-9

To: Honorable Mayor & City Council

From: Don Rhoads, Director of Administrative Services/CFO
Shelley Ovrom, Interim Asst. Director of Administrative Services/Human Resources

Subject: RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS, CALIFORNIA, FOR PAYING AND REPORTING THE VALUE OF EMPLOYER PAID MEMBER CONTRIBUTIONS FOR THE BEVERLY HILLS FIREMEN'S ASSOCIATION, BEVERLY HILLS POLICE OFFICERS' ASSOCIATION, AND BEVERLY HILLS POLICE MANAGEMENT ASSOCIATION

Attachments: 1. Resolution

RECOMMENDATION

Staff recommends approval of the attached resolution to change the paying and reporting of the Employer Paid Member Contribution (EPMC), also referred to as PERS-on-PERS, to the California Public Employee's Retirement System (CalPERS) for

employees of the Firemen's Association, Police Officers' Association and Police Management Association.

INTRODUCTION

The City previously paid to CalPERS the member (employee) contribution on behalf of employees in the Firemen's Association, Police Officers' Association and Police Management Association. Negotiations resulted in a change to the Employer Paid Member Contribution benefit (PERS-on-PERS). Employees of these Associations will be responsible for paying a portion of their member contributions to CalPERS, upon the negotiated effective dates.

DISCUSSION

This resolution changes the reporting of Employer Paid Member Contributions as compensation earnable (PERS-on-PERS), for employees of the Firemen's Employee Association, Police Officers' Association and Police Management Association. Employees of these Associations will be responsible for paying a portion of their member contributions to CalPERS as follows:

FIRE

- a. Effective 7/1/13 – employees pay 1% of the employee contribution
- b. Effective 7/1/14 – employees pay an additional 1% of the employee contribution for a total of 2%
- c. Effective 7/1/15 – employees pay an additional 1% of the employee contribution for a total of 3%

These changes reduce the reportable employer paid member contribution as compensation earnable by 3% and as such, employees will only report 6% of their EPMC to PERS as compensation earnable for retirement, not 9%.

POLICE

- a. Effective 1/1/16 – employees pay 1% of the employee contribution.

FISCAL IMPACT

The costs previously reviewed and approved by Council associated with this benefit have been or will be budgeted for each fiscal year for the terms negotiated in the memorandum of understanding for each employee association.


Don Rhoads

Finance Approval


Shelley Ovrom

Approved By

Attachment 1

RESOLUTION NO. 14-R-____

A RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS, CALIFORNIA, FOR PAYING AND REPORTING THE VALUE OF EMPLOYER PAID MEMBER CONTRIBUTIONS FOR THE BEVERLY HILLS FIREMEN'S ASSOCIATION, BEVERLY HILLS POLICE OFFICERS' ASSOCIATION, AND BEVERLY HILLS POLICE MANAGEMENT ASSOCIATION

WHEREAS, the City Council of the City of Beverly Hills has the authority to implement or take action under Government Code section 20636(c)(4) pursuant to Government Code Section 20691;

WHEREAS, the City Council of the City of Beverly Hills has a written labor policy or agreement which specifically provides for the member contributions to be paid by the employer and reported as special compensation;

WHEREAS, one of the steps in the procedures to implement Section 20691 is the adoption by the City Council of the City of Beverly Hills of a Resolution to modify its payment and reporting of the value of said Employer Paid Member Contributions (EPMC); and,

WHEREAS, the City Council of the City of Beverly Hills has identified the following conditions for the purpose of its election to pay EPMC:

- No EPMC shall be paid for New Members, as defined by Government Code section 7522.30(c).
- The following benefit shall apply to the Beverly Hills Firemen's Association:
 - Effective July 1, 2013, this benefit shall consist of the employer paying 8% of the normal member contributions as EPMC and reporting the same percent (value) of compensation earnable as special compensation.

- Effective July 1, 2014, this benefit shall consist of the employer paying 7% of the normal member contributions as EPMC and reporting the same percent (value) of compensation earnable as special compensation.
- Effective July 1, 2015, this benefit shall consist of the employer paying 6% of the normal member contributions as EPMC and reporting the same percent (value) of compensation earnable as special compensation.
- The following benefit shall apply to the Beverly Hills Police Officers' Association and Beverly Hills Police Management Association:
 - The current benefit consists of the employer paying 9% of the normal member contributions as EPMC and reporting the same percent (value) of compensation earnable as special compensation.
 - Effective July 1, 2016, this benefit shall consist of the employer paying 8% of the normal member contributions as EPMC and reporting the same percent (value) of compensation earnable as special compensation.

The effective date of this Resolution shall be June 17, 2014.

NOW, THEREFORE, the Council of the City of Beverly Hills does hereby resolve as follows:

Section 1. The Chief Financial Officer or his/her designee shall oversee the City's compliance with this resolution.

Section 2. The City Clerk shall certify to the adoption of the Resolution and shall cause the Resolution and his certification to be entered in the Book of Resolutions of the Council of the City.

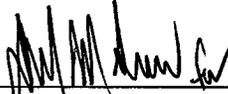
Adopted:

LILI BOSSE
Mayor of the City of Beverly Hills, California

ATTEST:

(SEAL)
BYRON POPE
City Clerk

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY C. KOLIN
City Manager



DON RHOADS
Director of Administrative Services/
Chief Financial Officer