



AGENDA REPORT

Meeting Date: January 13, 2015

Item Number: F-1B

To: Honorable Mayor & City Council

From: Jeffrey C. Kolin, City Manager

Subject: RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS TERMINATING THE PAYING AND REPORTING TO THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM THE VALUE OF EMPLOYER PAID MEMBER CONTRIBUTIONS FOR THE EXECUTIVE EMPLOYEE GROUP

Attachments: 1. Resolution

RECOMMENDATION

Staff presents for City Council consideration approval of the attached resolution to eliminate the paying and reporting of the Employer Paid Member Contribution (EPMC), to the California Public Employee's Retirement System (CalPERS) for the Executive Employee Group, which includes Executive and Senior Management employees.

INTRODUCTION

The City currently pays to CalPERS the member (employee) contribution on behalf of the employees of the City's Executive Employee Group and reports the payment as compensation. If the Council approves the amendments to the Executive Compensation Plan that have been placed on the City Council's January 13 agenda, then Executive and Senior Management employees will be responsible for paying their member contributions to CalPERS effective February 7, 2015. In conjunction with the shift of the employee share of CalPERS costs to the executive employees, the City Council must report to CalPERS through adoption of a resolution that it will no longer be paying and reporting the employee share of CalPERS costs as compensation to the employee.

DISCUSSION

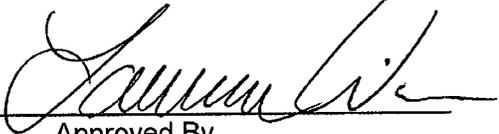
This resolution changes both the paying and reporting of Employer Paid Member Contributions as compensation earnable for the City's Executive Employee Group, which includes Executive and Senior Management employees. Executive Employee Group employees will pay the employee contribution of 8% for Miscellaneous "Classic Members", 6.25% for Miscellaneous "New Members"; 9% for Sworn "Classic Members" and 12% for Sworn "New Members" as defined by the Public Employee Pension Reform Act (PEPRA), thereby eliminating the Employer Paid Member Contribution effective February 7, 2015.

The attached resolution is also the means by which the City notifies CalPERS of its decision to discontinue the paying and reporting of Employee Paid Member Contributions as compensation.

The same change was previously made to the Memoranda of Understanding for the City's five Miscellaneous Associations.

FISCAL IMPACT

This action is taken in conjunction with other changes to the Executive Compensation Plan that are on the City Council's agenda on January 13, the savings from this action should be considered in conjunction with those actions and the financial analysis of the combined actions has been included in the financial analysis of the total costs of the proposed changes to the Executive Compensation Plan.



for Approved By
Jeffrey Kolin, City Manager

Attachment 1

RESOLUTION NO. 15-R-

A RESOLUTION OF THE COUNCIL OF THE CITY OF BEVERLY HILLS TERMINATING THE PAYING AND REPORTING TO THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM THE VALUE OF EMPLOYER PAID MEMBER CONTRIBUTIONS FOR THE EXECUTIVE EMPLOYEE GROUP

WHEREAS, the City Council of the City of Beverly Hills has the authority to implement or take action under 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 partial 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 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:

- The following benefit shall apply to the Executive Employee Group:
 - Effective February 7, 2015, the employer shall terminate payment of normal member contributions and reduce EPMC to 0%. Employees will pay the full amount of their normal member contribution rate.

The effective date of this Resolution shall be February 7, 2015.

NOW THEREFORE, BE IT RESOLVED that the Council of the City of Beverly Hills elects to pay and report the value of EPMC, as set forth above.

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.

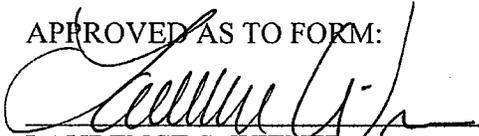
Adopted:

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