



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: February 5, 2012

TO: Mayor and Councilmembers

FROM: City Administrator's Office

SUBJECT: Resolution To Implement Changes To Police Management Association PERS Contributions

RECOMMENDATION:

That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara For Paying and Reporting the Value of Employer-Paid Member Contributions for Certain Police Management Association Employees.

DISCUSSION:

The recently approved 2012-2013 Police Management Association Memorandum of Understanding (MOU) calls for members of that bargaining unit to begin paying 2.88% of the 9% member contribution to the California Public Employees Retirement System (PERS) effective January 12, 2013. This will reduce the Employer Paid Member Contributions (EPMC) that the City pays and reports to PERS as additional compensation from 9% to 6.12%. PERS requires that a form resolution be adopted to memorialize the change contained in the MOU.

This will apply to employees who are not subject to the contribution limitations of the California Public Employees' Pension Reform Act of 2013, who are referred to as "classic employees" by PERS. If any new employees/members, as defined by that law, are hired into the bargaining unit after January 1, 2013, they will be required to pay at least half the normal cost, currently 12.75%, toward their pension benefit and no Employer Paid Member Contributions will be allowed.

BUDGET/FINANCIAL INFORMATION:

Cost savings from this change were included with the total cost impacts of the 2012-2013 Police Management Association MOU in the December 11, 2012, Council Agenda Report on that subject.

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