

Agenda Report

DATE: February 22, 2016

TO: Honorable Mayor and City Council

FROM: Human Resources Department

RE: APPROVAL OF A SIDE LETTER OF AGREEMENT BETWEEN THE CITY OF PASADENA AND THE PASADENA MANAGEMENT ASSOCIATION REGARDING SAFETY RETIREMENT AND WORKERS' COMPENSATION BENEFITS FOR QUALIFIED MEMBERS

RECOMMENDATION:

It is recommended that the City Council approve a side letter of agreement between the City of Pasadena (City) and Pasadena Management Association (PMA) regarding safety retirement and Workers' Compensation benefits for qualified members.

BACKGROUND:

The Pasadena Management Association represents approximately 450 employees in a variety of professional and supervisory classifications throughout the City, the majority of which are miscellaneous (non-safety) classifications as defined by the California Public Employees' Retirement System (CalPERS). There is currently one employee in the bargaining unit who qualifies for safety member retirement status. This is because any employees hired between January 1, 1988 and October 1, 1989 whose principal duties fall within the scope of fire prevention, fire training, or fire investigation are eligible for safety retirement benefits in accordance with a 1987 amendment to Government Code 20021 (AB 839). Although this amendment was later revoked effective October 2, 1989, employees hired into qualified classifications during the AB 839 window were allowed to retain their safety member status.

Previous PMA Memoranda of Understanding (MOU) have not reflected the fact that safety retirement and Workers' Compensation benefits are available to qualified PMA members. The City seeks to modify the existing 2015-2018 PMA MOU to memorialize the provision of safety retirement and Workers' Compensation benefits, and to establish the gradual reduction of the Employer Paid Member Contribution (EPMC) benefit for safety employees at a rate of 2.25% per year between February 22, 2016 and January 1, 2019. The employee contribution rate of 9% is consistent with that of other City

employees enrolled in CalPERS safety retirement benefit. The City met and discussed this issue with PMA, and PMA has agreed to the side letter.

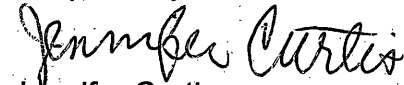
COUNCIL POLICY CONSIDERATION:

The approval of staff's recommendation for approval supports the City Council's strategic goal of maintaining fiscal responsibility and stability.

FISCAL IMPACT:

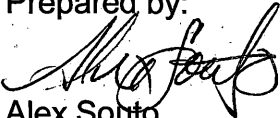
Approval of this side letter agreement has no fiscal impact as the affected individual has been designated as a safety employee by CalPERS since 1995. This side letter agreement is an administrative cleanup item.

Respectfully Submitted,



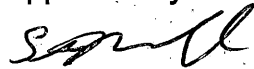
Jennifer Curtis
Director of Human Resources

Prepared by:



Alex Souto
Principal Human Resources Analyst

Approved by:



Steve Mermell,
Interim City Manager

Attachments:

1. SIDE LETTER OF AGREEMENT BETWEEN THE CITY OF PASADENA AND THE PASADENA MANAGEMENT ASSOCIATION
2. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA TO AUTHORIZE TAX DEFERRAL OF THE MEMBER PAID CONTRIBUTIONS TO THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM FOR THE SAFETY EMPLOYEES IN THE BARGAINING UNIT REPRESENTED BY THE PASADENA MANAGEMENT ASSOCIATION
3. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA TO REPORT THE VALUE OF EMPLOYER PAID MEMBER CONTRIBUTIONS (EPMC) FOR THE SAFETY EMPLOYEES REPRESENTED BY THE PASADENA MANAGEMENT ASSOCIATION (PMA)