

RESOLUTION NO. 16-32

RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF GROVER BEACH, CALIFORNIA, AMENDING THE
MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY AND THE
GROVER BEACH POLICE MANAGEMENT AND CONFIDENTIAL EMPLOYEE
GROUP BY ADOPTING THE SIDE LETTER OF AGREEMENT

WHEREAS, on August 3, 2015, the City Council of Grover Beach adopted Resolution No. 16-23 for the purpose of adopting the Memorandum of Understanding (MOU); and

WHEREAS, subsequent to the adoption of the MOU, the City of Grover Beach and the Grover Beach Police Management and Confidential Employee Group agreed to changes to the MOU that are reflected in a Side Letter of agreement between the City of Grover Beach and the Grover Beach Police Management and Confidential Employee Group (Exhibit A). The Side Letter of agreement pertains to CalPERS cost sharing and salary adjustments.

NOW, THEREFORE, BE IT RESOLVED that the City and the Group agree as follows:

1. The Side Letter of agreement attached hereto as Exhibit A is approved and adopted; and
2. The Side Letter of agreement amends the MOU between the City of Grover Beach and the Grover Beach Police Management Confidential Employee Group.

On motion by Council Member Shah, second by Council Member Nicolls, and on the following roll-call vote, to wit

AYES: Council Members Bright, Nicolls, Shah, Mayor Pro Tem Lee, and Mayor Shoals.
NOES: Council Members – None.
ABSENT: Council Members – None.
ABSTAIN: Council Members – None.

the foregoing Resolution was **PASSED, APPROVED, and ADOPTED** at a Regular meeting of the City Council of the City of Grover Beach, California this 2nd day of May, 2016.



JOHN P. SHOALS, MAYOR

Attest:



DONNA L. McMAHON, CITY CLERK

**THE SIDE LETTER AGREEMENT AMENDING
THE 2015-2018 MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF GROVER BEACH AND THE
GROVER BEACH POLICE MANAGEMENT AND CONFIDENTIAL EMPLOYEE GROUP**

On August 3, 2015, the City of Grover Beach (the "City") and the Grover Beach Police Management and Confidential Employee Group (the "Group" and together with the City, the "Parties") executed a Memorandum of Understanding (MOU) for the period of August 3, 2015 through June 30, 2018; and

Included in the MOU is a provision for the group's classic safety members to share in the City's costs of providing California Public Employment Retirement System (CalPERS) benefits; and

Effective July 1, 2016, Tier I Sworn Classic Members shall contribute two percent (2%) of compensation (totaling 11%) or as soon thereafter as administratively possible and effective July 1, 2017 Tier I Sworn Members shall contribute one percent (1%) (totaling 12%) or as soon thereafter as administratively possible towards the employees CalPERS contribution, which shall be in accordance with Section 414(h)(2) of the Internal Revenue Code whereby the employee contributions shall be tax deferred; and

On or after July 1, 2016, upon approval of the City's contract amendment with CalPERS, Tier I Sworn Classic Members shall receive a salary adjustment of two percent (2%) increase and on or after July 1, 2017, upon approval of the City's contract amendment with CalPERS, Tier I Sworn Classic Members shall receive a salary adjustment of one percent (1%) increase; and

As part of this Side Letter, the Parties have agreed that the remaining terms of the agreement shall remain in full force and effect except as set forth in this Side Letter.

The City and the Group agree as follows:

Section 17.a RETIREMENT, shall be modified to include language as follows:

Retirement for Public Safety Personnel: The City participates in the Public Employees Retirement System (hereinafter "PERS") and the Social Security Program. Each employee shall pay his/her retirement contribution. In addition, employees will pay the employee contribution for Social Security. The City shall pay the employer's retirement contribution, as well as the employer's contribution for Social Security. The City's PERS retirement plans are as follows:

- a. Classic Member - The PERS Local Safety 3% at Age 55 Modified Formula Retirement Plan with Section 20042 (One-Year Final Compensation) and Section 21024 (Military Service Credit as Public Service) is provided for sworn employees.
 - 1) Effective the payroll period including *July 1, 2016 or as soon thereafter as administratively possible*, sworn Classic Members in the 3%@55 benefit formula shall pay an additional 2% of compensation as and for the individual member's normal employee PERS contributions required to be paid by PERS (totaling 11% on Employee's Rate).

- 2) Effective the payroll period including July 1, 2017 or as soon thereafter as administratively possible, sworn Classic Members in the 3%@55 benefit formula shall pay an additional 1% of compensation as and for the individual member's normal employee PERS contributions required to be paid by PERS (totaling 12% on Employee's Rate).

- 3) On or after July 1, 2016, upon approval of the City's contract amendment with CalPERS, Tier I Sworn Classic Members shall receive a salary adjustment in addition to the scheduled COLA. This adjustment will be a two percent (2%) increase on or after July 1, 2017, upon approval of the City's contract amendment with CalPERS, Tier I Sworn Classic Members shall receive a salary adjustment to the existing scheduled COLA of one percent (1%) increase

GBPMCEG

City of Grover Beach












