RESOLUTION NO. 16-0039

A RESOLUTION OF THE MANHATTAN BEACH CITY COUNCIL
ADOPTING THE SIDE LETTER AGREEMENT BETWEEN THE CITY OF
MANHATTAN BEACH AND THE CITY OF MANHATTAN BEACH POLICE
MANAGEMENT ASSOCIATION

WHEREAS, the Manhattan Beach City Council adopted the City of Manhattan Beach
Police Management Association Memorandum of Understanding ("MOU") from January 1, 2016 through
December 31, 2018; and

WHEREAS, as part of the MOU, the City of Manhattan Beach ("City") and the City of
Manhattan Beach Police Management Association ("PMA") (collectively "Parties") provides that
employees will pay the nine percent member contribution and an additional three percent retirement
contribution as cost sharing pursuant to Government Code section 20516(f); and

WHEREAS, the parties desire to update the MOU language to reflect that the City will
take necessary steps to amend its CalPERS contract in accordance with Government Code section
20516(a); and

WHEREAS, the parties have conferred in good faith and wish to modify Chapter 3, Article
11 "Retirement" paragraph 1, subsection "c"; and paragraph 2, subsection "c"; and

NOW THEREFORE, THE MANHATTAN BEACH CITY COUNCIL HEREBY RESOLVES:

SECTION 1. The City Council hereby approves and adopts the Side Letter Agreement
between the City and the City of Manhattan Beach Police Management Association.

SECTION 2. The City Manager or his designee shall take the appropriate action to
implement the resolution.

SECTION 3. The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED and ADOPTED this 5th day of July, 2016.

Ayes: Howorth, Powell, Burton, Lesser and Mayor D’Errico.
Noes: None.
Abstain: None.
Absent: None.

Tony D’Errico
Mayor City of Manhattan Beach

ATTEST:

Liza Tamura, City Clerk

Certified to be a true copy
of the original of said
document on file in my
office.

City Clerk of the City of
Manhattan Beach, California
SIDE LETTER OF AGREEMENT
BETWEEN
CITY OF MANHATTAN BEACH
AND
THE MANHATTAN BEACH POLICE MANAGEMENT ASSOCIATION

This Side Letter of Agreement ("Agreement") between the City of Manhattan Beach ("City") and the Manhattan Beach Police Management Association ("PMA") (collectively "Parties") is entered into with respect to the following:

WHEREAS, the City and the PMA entered into a Memorandum of Understanding ("MOU") with the term of January 1, 2016 through December 31, 2018; and

WHEREAS, the MOU provides that employees will pay the nine percent member contribution and an additional three percent retirement contribution as cost sharing pursuant to Government Code section 20516(f); and

WHEREAS, the parties desire to update the MOU language to reflect that the City will take necessary steps to amend its CalPERS contract in accordance with Government Code section 20516(a); and

WHEREAS, the parties wish to modify Chapter 3, Article 11, paragraph 1, subsection "c", and paragraph 2, subsection "c"; and

NOW THEREFORE, the parties agree as follows:

Chapter 3, Article 11, paragraph 1, subsection "c" and paragraph 2, subsection "c"; are modified as can be seen with track changes below as follows:

ARTICLE 11: RETIREMENT

1.

(c) Employees shall pay the nine percent (9%) member contribution. Employees shall also pay an additional three percent (3%) retirement contribution as cost sharing pursuant to Government Code section 20516(f). The parties agree that as soon after May 1, 2016 as administratively possible, the City shall follow steps which are necessary to amend its CalPERS contract to provide cost sharing in accordance with Government Code section 20516(a). In accordance with IRS Code section 414(h)(2), the cost sharing will then be treated as a pre-tax deduction.
2.

(c) **Employee Paid Retirement Contribution:** Such employees shall pay the higher of twelve percent (12%) or one half the total normal cost rate. Any amount of such employee's retirement contribution which is above the total normal cost rate (i.e., if the half the normal cost rate goes below 12%) shall be paid in accordance with Government Code section 20516(f). The parties agree that as soon after May 1, 2016 as administratively possible, the City shall follow steps which are necessary to amend its CalPERS contract to provide cost sharing in accordance with Government Code section 20516(a). In accordance with IRS Code section 414(h)(2), the cost sharing will then be treated as a pre-tax deduction.

FOR THE CITY OF MANHATTAN BEACH

[Signature]
Mark Danaj
City Manager
7-12-16

FOR THE MANHATTAN BEACH POLICE MANAGEMENT ASSOCIATION

[Signature]
Steve Tobias
President, MBPMA
5-16-16