For Council Meeting of: November 15, 2016

CITY OF SANTA ROSA CITY COUNCIL

TO: MAYOR AND CITY COUNCIL

FROM: BRIGID DONNELLY, EMPLOYMENT SERVICES MANAGER

HUMAN RESOURCES DEPARTMENT

SUBJECT: APPROVAL OF AMENDMENT NO. 2 TO THE MEMORANDUM

OF UNDERSTANDING (MOU) - UNIT 5, POLICE,

REPRESENTED BY THE SANTA ROSA POLICE OFFICERS

ASSOCIATION

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Human Resources Department that the Council, by resolution, approve Amendment No. 2 to the Memorandum of Understanding for Unit 5 Police Officers represented by the Santa Rosa Police Officers Association to change language and titles describing special compensation to comply with clarifications CalPERS made to their guidelines.

EXECUTIVE SUMMARY

This resolution amends Article 43 of the Memorandum of Understanding related to the language describing special pays received by specifically assigned police officers. The amendment changes the language of Article 43 to comply with California Code of Regulation Section 571 (a) and (b) administered by CalPERS.

BACKGROUND

In early 2016, the Payroll Division of the Finance Department received communication from CalPERS indicating that the language in the MOU for Unit 5 – Police Officers describing specialty pays was not in compliance with the way CalPERS interprets the California Code of Regulations (CCR) Section 571 (a) and (b) regarding the definition of compensation. In discussion with Human Resources, it was determined that the language in the MOU needed to be changed to comply with the regulations. The Payroll Division Manager and Human Resources met with representatives of the Santa Rosa

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Police Officers' Association and agreed to amend the MOU to conform the language to the guidance provided by CalPERS.

PRIOR CITY COUNCIL REVIEW

Not applicable.

<u>ANALYSIS</u>

The need to amend the MOU came out of the potential impacts that could occur if the special pays received by specifically assigned police officers were found by CalPERS to not fit the definition of special compensation and were excluded from pension calculations. Such a finding could impact the retirement amount and the contributions made by the police officer and the City.

The amendment will change the language so that it meets the definition of special compensation outlined in CalPERS guidelines and prevent any future findings by CalPERS.

FISCAL IMPACT

Approval of this action does not have a fiscal impact to the General Fund.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

<u>ATTACHMENTS</u>

- Attachment 1 Amendment No. 2 to the Memorandum of Understanding
- Resolution

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CONTACT

Brigid Donnelly, Employment Services Manager, Bdonnelly@srcity.org, 707-543-3029.