

● **Board of Directors**
Subcommittee on Organization and Personnel

December 12, 2000 Board Meeting

8-6

Subject

Adopt resolution reporting the value of employer-paid member contributions to the Public Employees' Retirement System commencing January 1, 2001

Description

The current Memorandum of Understanding (MOU) executed between The Metropolitan Water District of Southern California (Metropolitan) and the Employees Association/AFSCME Local 1902 requires Metropolitan to pay the employees' normal contribution to the Public Employees' Retirement System (PERS). Metropolitan is currently paying the employee's seven percent normal contribution to PERS. The MOU also states that Metropolitan will begin reporting the value of the normal contribution as additional compensation according to Government Code Section 20636. When an employee retires, this additional compensation will be used in the final compensation calculation for an employee's retirement allowance. Section 20636 requires a signed resolution by the public agency and that the employer's labor policy or agreement specifically provides that the employer-paid member contributions will be reported as additional compensation.

Policy

The current Memoranda of Understanding executed between Metropolitan and the Employees Association/AFSCME Local 1902.

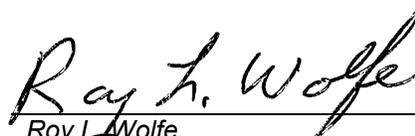
CEQA Compliance / Environmental Documentation

Where it can be seen with certainty that there is no possibility that paying and reporting the value of employer-paid member contributions to PERS may have a significant effect on the environment, the recommended action is not subject to the California Environmental Quality Act (CEQA) (State CEQA Guidelines Section 15061(b)(3)).

Staff Recommendation

In accordance with the Employees Association/AFSCME Local 1902 negotiated labor agreement with Metropolitan and Government Code Section 20636(c)(4), adopt the attached resolution ([Attachment 1](#)) reporting the value of employer-paid member contributions to the Public Employees' Retirement System for employees in classifications represented by this unit effective January 1, 2001.

Fiscal Impact: None in Fiscal Year 2000/2001. Up to a maximum of \$2.1 million Fiscal Year 2003/2004 depending on the PERS employer contribution rate.



Roy L. Wolfe
Manager, Corporate Resources

11/29/2000
Date



Ronald R. Pater
General Manager

11/29/2000
Date

Attachment 1

RESOLUTION FOR PAYING AND REPORTING THE VALUE OF EMPLOYER-PAID MEMBER CONTRIBUTIONS

WHEREAS, the governing body of The Metropolitan Water District of Southern California has the authority to implement Government Code Section 20636(c)(4) pursuant to Section 20691;

WHEREAS, the governing body of The Metropolitan Water District of Southern California has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer, and reported as additional compensation;

WHEREAS, one of the steps in the procedures to implement Section 20691 is the adoption by the governing body of The Metropolitan Water District of Southern California of a Resolution to commence paying and reporting the value of said Employer-Paid Member Contributions (EPMC);

WHEREAS, the governing body of The Metropolitan Water District of Southern California has identified the following conditions for the purpose of its election to pay EPMC;

- **This benefit shall apply to all employees of the Employees Association/AFSCME Local 1902.**
- **This benefit shall consist of paying seven percent of the normal contributions as EPMC, and reporting the same percent (value) of compensation earnable (excluding Government Code Section 20636(c)(4)) as additional compensation.**
- **The effective date of this Resolution shall be January 1, 2001.**

NOW THEREFORE, BE IT RESOLVED that the governing body of The Metropolitan Water District of Southern California elects to pay and report the value of EPMC as set forth above.

Adopted at a meeting of the Board of Directors of The Metropolitan Water District of Southern California at Los Angeles on the 12th day of December 2000.

Signed _____
Phillip J. Pace, Chairman

Signed _____
Dawn Chin, Executive Secretary