

City of Garden Grove
INTER-DEPARTMENT MEMORANDUM

To: Matthew J. Fertal
From: John D.R. Clark
Dept: City Manager
Dept: Human Resources
Subject: AMENDMENT TO MEMORANDUM OF UNDERSTANDING WITH THE GARDEN GROVE POLICE MANAGEMENT ASSOCIATION
Date: November 13, 2012

OBJECTIVE

The California Public Employees' Retirement System (PERS) conducted an audit of the City's contract in late 2011, with their final audit report issued in June, 2012. While the audit generally found us to be in good compliance with applicable statutes and regulations, PERS did direct the City to make several changes of a ministerial nature to its procedures. The recommended action, if adopted, would insure Garden Grove's continued compliance.

BACKGROUND/DISCUSSION

The proposed change is to adopt the language demanded by PERS concerning uniforms. The City buys uniforms for the members of this union, notably Lieutenants and Captains. The City buys the uniforms for the employees and reports this value to PERS every pay period, as required by Government Code § 20636 (c)(6). The PERS Audit cited Government Code § 20160 in directing the City and union to adopt the specific language contained herein.


FINANCIAL IMPACT

The recommended amendments represent no change in existing City practice and expenditure, and will have no fiscal impact.

RECOMMENDATION

It is recommended that the City Council:

- Adopt the attached Resolution amending the City's Memorandum of Understanding with the Garden Grove Police Management Association.


JOHN D.R. CLARK
Human Resources Director/City Treasurer
Attachment: Proposed Resolution

Recommended for Approval


Matthew Fertal
City Manager

GARDEN GROVE CITY COUNCIL

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE AMENDING THE MEMORANDUM OF UNDERSTANDING ON SALARIES, WAGES, AND FRINGE BENEFITS FOR THE TERM 2009-2011, AS AMENDED, BY AND BETWEEN THE GARDEN GROVE POLICE MANAGEMENT ASSOCIATION AND THE CITY OF GARDEN GROVE

WHEREAS, the California Public Employees' Retirement System (CalPERS) conducted an audit of the City in 2011;

WHEREAS, CalPERS issued a final audit report in June 2012 indicating general satisfaction with the City's reporting to CalPERS, but also noting several corrections to be made pursuant to California Code of Regulations (CCR) Section 570.5 and Section 571, pertaining to the specific elements of compensation that are reportable to CalPERS;

WHEREAS, the City of Garden Grove wishes to bring the City into full compliance by adopting the corrective actions listed in the CalPERS audit with all deliberate speed, which include making specific amendments to labor union contracts and resolutions, as appropriate; and

WHEREAS, the Garden Grove Police Management Association shares with the City the goal of bringing the City in general and their union in particular into full compliance with the CalPERS audit.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GARDEN GROVE DOES HEREBY RESOLVE:

Section 1. The Memorandum of Understanding on Salaries, Wages and Fringe Benefits 2009-2012, by and between the Garden Grove Police Management Association and the City of Garden Grove as approved and adopted by the City Council in Resolution No. 8922-09 and subsequently amended by Resolution No. 8959-10, Resolution No. 9040-11, and Resolution No. 9105-12 is hereby further amended to read as follows:

Section 4 ("Fringe Benefits"):

4. FRINGE BENEFITS

G. Uniforms

The City shall provide up to four work uniforms per year on an as-needed basis. The cost of uniforms shall not constitute compensation for purposes of the regular rate calculation under the

Fair Labor Standard Act. This policy shall remain in effect unless a change is dictated by applicable law.

The City shall report to CalPERS the monetary value of uniforms and uniform maintenance for those employees required to wear uniforms. The monetary value by classification is listed in Exhibit A, entitled "UNIFORM ALLOWANCE."

Uniform allowance is defined as compensation paid or the monetary value for the purchase, rental and/or maintenance of required clothing, including clothing made from specially designed protective fabrics, which is a ready substitute for personal attire the employee would otherwise have to acquire and maintain.

Section 2. The Director of Human Resources is directed to effect procedural changes necessary to implement this Resolution.

EXHIBIT "A"

POLICE MANAGEMENT UNIFORM ALLOWANCE

<u>TITLE</u>	<u>REPORTED TO PERS EACH PAY PERIOD</u>
POLICE LIEUTENANT	\$ 15.56
POLICE CAPTAIN	\$ 8.11