

RESOLUTION NO. 2008-34

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUNTINGTON BEACH AMENDING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY AND THE POLICE MANAGEMENT ASSOCIATION, BY ADOPTING THE SIDE LETTER OF AGREEMENT (REGARDING MEDICAL RETIREMENT TRUST FUND PROGRAM)

WHEREAS, on July 17, 2006, the City Council of Huntington Beach adopted Resolution No. 2006-43 for the purpose of adopting the 2006-10 Memorandum of Understanding (MOU) between the City and the Police Management Association (PMA);

Subsequent to the adoption of the MOU, the City of Huntington Beach and PMA agreed to changes, corrections, and clarifications to the MOU that were reflected in a Side Letter of Agreement between the City of Huntington Beach and the PMA adopted by Resolution No. 2007-24. At this time, the parties have agreed to additional changes to the Side Letter of Agreement between the City of Huntington Beach and PMA ("Side Letter of Agreement") attached hereto as Exhibit A and incorporated herein by this reference. The Side Letter of Agreement pertains to the participation in a qualified medical retirement trust fund program.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Huntington Beach as follows:

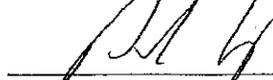
- Section 1. The Side Letter of Agreement attached hereto as Exhibit A is approved and adopted.
- Section 2. The Side Letter of Agreement amends the MOU between the City of Huntington Beach and the PMA.

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on the 7th day of July 2008.



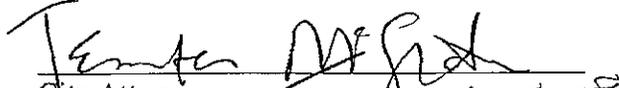
Mayor

REVIEWED AND APPROVED:



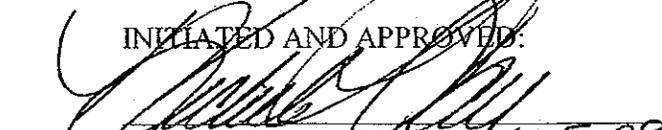
City Administrator

APPROVED AS TO FORM:



City Attorney 6.5.08

INITIATED AND APPROVED:



Human Resources Director 6-5-08

EXHIBIT A

SIDE LETTER AGREEMENT

May 31, 2008

Representatives of the Huntington Beach Police Management Association ("HBPMA") and the City of Huntington Beach ("City") hereby agree to the following terms related to the implementation of a Post-Retirement Medical Reimbursement Program pursuant to Article IV(E) of the MOU between the HBPMA and City effective July 1, 2006.

EMPLOYEE WELFARE BENEFIT TRUST FUND:

The City authorizes the HBPMA to participate in an employee welfare medical benefit trust fund program, called that PORAC Retiree Medical Trust, providing the following conditions are adhered to:

1. The City and HBPMA agree that the City shall not provide any contribution to the program.
2. Effective 5/31/08, the City shall withhold \$100.00 monthly for each represented employee. Thereafter, said withholding shall be in an amount as designated by the HBPMA. Deductions shall be taken on the first two checks of each month.
3. HBPMA shall pay all associated expenses incurred for participation in the program.
4. Upon request, the HBPMA shall provide documentation to the City as follows:
 - a. A copy of the in-force employee medical welfare benefit trust fund program;
 - b. A statement certifying that funds collected are for employee welfare medical benefits for HBPMA represented employees only;
 - c. A copy of the current program document as well as any changes of amendments, or written confirmation that there have been no changes as employee medical welfare benefit trust fund program provider;
 - d. Verification of the funds submitted to the PORAC Retiree Medical Trust by the HBPMA, and
 - e. A statement certifying that the submitted funds are only being utilized to provide employee welfare medical benefit trust funds for participating members including members of the HBPMA.
5. City shall submit the withheld funds to the PORAC Retiree Medical Trust bi-weekly.

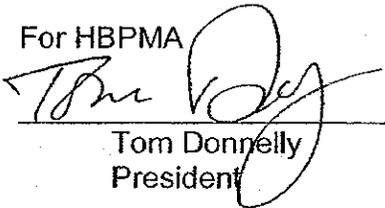
6. All Federal and State laws regarding employee medical welfare benefit trust funds coverage shall be followed.
7. HBPMA agrees that it will indemnify and hold harmless the City as well as all direct or indirect successors, officers, directors, heirs, predecessors, assigns, agents, insurers, employees, attorneys, representatives, and each of them, past and present, from and against any claims, lawsuits, penalties, interest, taxes, or liability of any kind whatsoever, which may result from the qualified employee welfare benefit trust fund program.

LEAVE BENEFITS UPON SEPARATION:

Article XIV(F) of the MOU between the HBPMA and City effective July 1, 2006, is amended as follows:

The value of any unused earned leave benefits (sick, vacation, general leave) shall transferred to deferred compensation or a qualified medical retirement trust program in connection with separation from employment, but only during the time the employee is actively employed with the City. Any transfer to the qualified medical retirement trust program shall be on a pre-tax basis. The employee must request the transfer no later than the pay period prior to the employee's last day of employment. Any unused earned leave benefits remaining upon separation will be transferred to the qualified medical retirement trust program on a pre-tax basis.

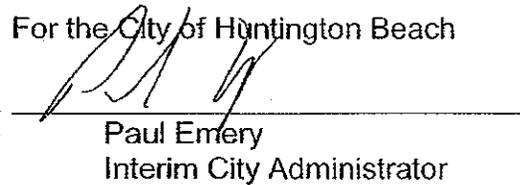
For HBPMA



Tom Donnelly
President

Dated: 6-11-08

For the City of Huntington Beach



Paul Emery
Interim City Administrator

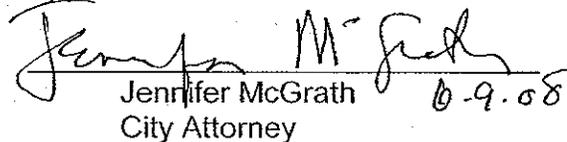
Dated: _____



Kenneth W. Small
Chief of Police

Dated: 6-16-08

Approved as to form:



Jennifer McGrath
City Attorney

Dated: 6-9-08