

# CITY OF OAKLAND

## AGENDA REPORT

2011 DEC -8 PM 7:00

TO: Office of the City Administrator  
ATTN: Deanna J. Santana  
FROM: Department of Human Resources Management  
DATE: December 20, 2011

RE: A CalPERS Resolution of Intention and Ordinance Of The City Of Oakland To Approve An Amendment To The Contract Between The City Of Oakland And The Board Of Administration Of The California Public Employees' Retirement System (CalPERS) To Provide 1) Section 20475, Different Level of Benefits, Section 21363.1 (3% @ 55 Full Formula and Section 20037 (Three-Year Final Compensation) Applicable To Local Safety Members Entering Membership For The First Time In the Safety Classification After The Effective Date Of This Amendment To Contract; And (2 To Include Section 20516 (4% Employees Sharing Cost of Additional Benefits) For Second Tier Local Fire Members

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### SUMMARY

A Resolution and an Ordinance have been prepared to amend the contract between the City of Oakland and the California Public Employees' Retirement System (CalPERS) to implement two new benefits authorized by the Council in the current Memoranda of Understanding between the City and the labor organizations representing safety employees, International Association of Firefighters, Local 55 and Oakland Police Officers Association, OPOA.

The contract amendment to authorize Government Code Sections 20475 and 20037 will place newly hired safety employees in a different retirement benefit – 3% @ 55 for safety and calculate final compensation at retirement based on compensation over the last three years of employment. These changes will ultimately result in savings for the City over the long term.

### FISCAL IMPACT

#### Section 20475 and Section 20037 – Different Level of Benefits and Three Years Final Compensation

California Government Code Section 20475, *Different Level of Benefits*, allows contracted agencies to amend its contract to provide a different level of retirement benefits to new employees. Individuals who become employed for the first time after the effective date of the contract amendment will be subject to the new retirement benefit. Former employees who did not withdraw contributions and existing members retain the current benefit (3% @ 50). Newly hired safety employees will be subject to the 3% @ 55 benefit after the effective date of this amendment to contract.

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The final compensation option of three (3) years uses the highest average annual compensation earnable by an employee during the three consecutive years of employment immediately preceding the effective date of retirement.

### Employer Rate Impact

Safety Employees – There will be no immediate employer contribution rate impact from this amendment. Ultimately, however, the City's employer normal cost will decrease by 1.1%. The employer rate reduction will occur gradually beginning on July 1, 2014, if there are second tier employees hired on or before June 30, 2012. The projected July 2014 rate will not be available until October 2013.

For fiscal years 2014/2015 and beyond, the projected cumulative amount of rate reduction that can be expected from introduction of the second tier is equal to the ratio of the City's second tier payroll to the total plan payroll two and a half years earlier. For example, if 1/10 of the safety members are in second tier on June 30, 2012 and the ultimate expected normal cost decrease is 1.1%, the cumulative reduction the City can expect by the 2014/2015 fiscal year is  $1/10 \times 1.1\% = 0.11\%$ . The actuarial information provided by CalPERS is included as Attachment A.

### Section 20516 – Employee Sharing Cost of Additional Benefits – Fire Only

This benefit allows a contracting agency to share the cost of additional retirement benefits with the employees as a result of a written agreement with the employee group. On January 23, 2010, Local 55 members began formal cost sharing at 4%. The 4% contributions are credited to Local 55 members' accounts as normal contributions and will be included in the refund of accumulated contributions to members who separate from CalPERS covered employment and elect to withdraw their contributions. The additional contributions do not impact final compensation upon retirement. Second tier Local 55 members will also be required to cost share at 4% to help offset the cost of the enhanced 3% retirement benefit.

Effective July 1, 2011, the Safety rate included the Fire Cost Sharing agreement approved by Council in January 2010. The cost sharing agreement with Fire reduced the City's employer contribution safety rate by 1.415%. The employer reduction was not the full 4% because the rate is based on a combination of Police and Fire employees. Police do not pay the additional 4%.

### BACKGROUND

On July 26, 2011, the City Council approved Memoranda of Understanding with labor organizations representing safety employees, International Association of Firefighters, Local 55 and Oakland Police Officers Association, OPOA. The agreements with the safety labor organizations require that the contract with CalPERS be amended and the second tier become effective July 1, 2011.

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## **KEY ISSUES AND IMPACTS**

There is no immediate notable impact as a result of the proposed contract amendment. However, amendment of the PERS contract to include Government Code Sections 20475, Different Level of Benefits and 20037, Three Years Final Compensation, will result in an ultimate reduction to the Employer normal cost of 1.1% for safety members. The two-tier retirement plan builds toward increased savings as the current workforce retires or separates from City employment for other reasons. A decrease in the City's Employer Contribution Rate occurs, as an increasing portion of the workforce receive the lesser benefit. Additionally, the inclusion of new members of Local 55 under Section 20516, Employee Cost Sharing, will not substantially impact savings for the City any more than it already does, but will insure that all Fire safety employees are participating.

## **SUSTAINABLE OPPORTUNITIES**

There are no economic, environmental, or social equity opportunities resulting from this action.

## **DISABILITY AND SENIOR CITIZEN ACCESS**

The proposed action does not impact disability and senior citizen access.

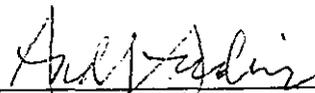
## **RECOMMENDATION(S) AND RATIONALE**

Staff recommends that the City Council approve the Resolution of Intention and Ordinance amending the contract with CalPERS to provide 1) Section 20475, Different Level of Benefits, Section 21363.1 (3% @ 55 Full Formula) and Section 20037 (Three-Year Final Compensation) applicable to local safety members entering membership for the first time in the safety classification; and 2) to include Section 20516 (4% Employees Sharing Cost of Additional Benefits) for second tier local fire members.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff recommends that the City Council approve the Resolution of Intention and Ordinance amending the contract with CalPERS to add Government Code Sections 20475 to include 21363.1, 3% @ 55 full formula and 20037, Three Years Final Compensation, applicable to local safety members entering membership for the first time in the safety classification; and Section 20516 (4% Employees Sharing Cost of Additional Benefits) For Second Tier Local Fire Members.

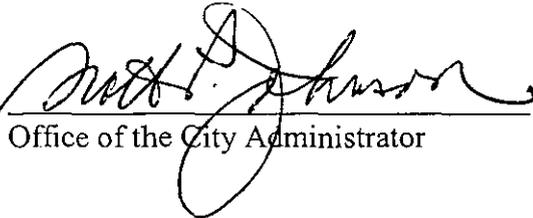
Respectfully submitted,



Andrea R. Gourdine, Director  
Department of Human Resources Management

Prepared by:  
Yvonne S. Hudson-Harmon, HR Manager  
Retirement and Benefits

APPROVED AND FORWARDED TO THE  
CITY COUNCIL:

  
Office of the City Administrator

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California Public Employees' Retirement System  
 Actuarial Office  
 P.O. Box 1494  
 Sacramento, CA 95812-1494  
 TTY: (916) 795-3240  
 (888) 225-7377 phone • (916) 795-2744 fax  
 www.calpers.ca.gov

August 9, 2011  
 Employer Number: 828  
 Employer Name: CITY OF OAKLAND  
 Rate Plan: SAFETY PLAN

Re: New 3% @ 55 Full Formula and Three-Year Final Compensation Second Tier for local Safety Fire members within a Non-pooled Plan (Section 20475: Different Level of Benefits Provided for New Employees)

Dear Requestor:

As requested, employer contribution rate information on your proposed second tier follows.

If you are aware of others interested in this information (i.e. payroll staff, county court employees, port districts, etc.), please inform them.

The information is based on the June 30, 2009 annual valuation. This cost analysis is good until you receive your June 30, 2010 annual valuation report.

Important: If this amendment is adopted cost sharing percentages can be altered according to the following table:

Total until 10/13/2021:	4.827%
Total after 10/13/2021:	2.015%

There will be no immediate employer contribution rate impact from this amendment. Ultimately, however, your employer normal cost will decrease. If the mix of active member entry ages were the same for both the current continuing first tier employees and the new second tier employees, the decrease in the employer rate would be 1.1%.

The employer rate reduction will occur gradually, beginning on July 1, 2014, if there are second tier employees hired on or before June 30, 2012. For fiscal years 2014/2015 and beyond, the projected cumulative amount of rate reduction you can expect from introducing a second tier is equal to the ratio of your second tier payroll to your total plan payroll two and a half years earlier. For example if 1/10 of your safety members were in second tier on June 30, 2012 and the ultimate expected normal cost decrease was 1.1%, the cumulative rate reduction you can expect by the 2014/2015 fiscal year would be  $1/10 \times 1.1\% = 0.11\%$ .

To initiate an amendment to the contract, please complete the attached election form and mail or FAX (916) 795-3005 the form with a letter to the Contracts Maintenance Unit, indicating your wish to contract for Section 20475 (Different Level of Benefits) and identifying the group(s) to which the benefit reduction applies.

In sections 20453 (b) and (c), the California Public Employees' Retirement Law requires the governing body of a public agency within five days of receipt of the contract amendment cost analysis, to provide each employee organization with a copy of the analysis. If this cost analysis was requested by an employee organization, the employee organization is also required within five days of receipt of the analysis, to provide a copy of the analysis to the public agency.

If you have questions, please call (888) CalPERS (225-7377).

  
 FRITZIE ARCHULETA, ASA, MAAA  
 Senior Pension Actuary, CalPERS

**OAKLAND CITY COUNCIL****ORDINANCE NO. \_\_\_\_\_ C.M.S.**

**ORDINANCE OF THE CITY OF OAKLAND TO APPROVE AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY OF OAKLAND AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS) TO: 1) PROVIDE NEW CITY OF OAKLAND SAFETY MEMBERS DIFFERENT LEVEL OF BENEFITS (CALIFORNIA GOVERNMENT CODE SECTION 20475), 3% AT 55 FULL FORMULA AND GOVERNMENT CODE SECTION (CALIFORNIA GOVERNMENT CODE SECTION 21363.1), THREE-YEAR FINAL COMPENSATION (CALIFORNIA GOVERNMENT CODE SECTION 20037) APPLICABLE TO LOCAL SAFETY MEMBERS ENTERING MEMBERSHIP FOR THE FIRST TIME IN THE SAFETY CLASSIFICATION AFTER THE EFFECTIVE DATE OF THIS AMENDMENT TO CONTRACT; AND 2) INCLUDE FOR CITY OF OAKLAND FIRE MEMBERS A 4% EMPLOYEES COST SHARING OF ADDITIONAL BENEFITS FOR SECOND TIER LOCAL FIRE MEMBERS (CALIFORNIA GOVERNMENT CODE SECTION 20516)**

**WHEREAS**, on July 26, 2011, the City Council approved Memoranda of Understanding between the City of Oakland and the labor organizations representing safety employees, International Association of Firefighters, Local 55 and Oakland Police Officers Association, OPOA, to implement changes to the retirement plans; and

**WHEREAS**, current City of Oakland safety employees receive a retirement benefit of 3.0% at age 50 and final compensation based on the highest annual salary during one year of employment; and

**WHEREAS**, the July 2011 Memorandum of Understanding between the City of Oakland and the Oakland Police Officers' Association (OPOA) provides that the City shall amend its contract with CalPERS to provide Different Level of Benefits (California Government Code Section 20475), 3% at 55 full formula (California Government Code Section 21363.1), for each bargaining unit member effective July 1, 2011, and the calculation of pension benefits based on three consecutive years immediately preceding the effective date of retirement (California Government Code Section 20037); and

**WHEREAS**, Memorandum of Understanding between the City of Oakland and Local 55 provides that the City shall amend its contract with CalPERS to provide Different Level of Benefits (California Government Code Section 20475), 3% at 55 full formula (California Government Code Section 21363.1), for each bargaining unit member effective July 1, 2011, and the calculation of pension benefits based on three consecutive years immediately preceding the effective date of retirement (California Government Code Section 20037); and

**WHEREAS**, in accordance with the July 2011 OPOA and Local 55 MOU's, the City of Oakland desires to create a new retirement tier for newly hired safety employees in which they will receive a retirement benefit of 3.0% at age 55 and final compensation based on the highest 3-year salary during employment; and

**WHEREAS**, current Fire employees are subject to a 4% Employee Cost Sharing; and

**WHEREAS**, in accordance with the Local 55 MOU, the City of Oakland desires to subject new second tier Local 55 members to a 4% Employee Cost Sharing of Additional Benefits (California Government Code Section 20516); and

**WHEREAS**, implementation of the agreements made between the City of Oakland and the labor organizations representing safety employees to implement Different Level of Benefits (California Government Code Section 20475), three years final compensation in accordance with Government Code Section 20037 and subject second tier Local 55 members to 4% Employee Cost Sharing of Additional Benefits (California Government Code Section 20516), require an amendment to the contract between the City of Oakland and the Board of Administration of the California Public Employees' Retirement System;

**NOW, THEREFORE,**

**THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:**

Section 1. That an amendment to the contract between the City of Oakland and the Board of Administration of the California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked Exhibit 1, and by such reference made a part hereof as though herein set out in full.

Section 2. The President of the Council is hereby authorized, empowered and directed to execute said amendment for and on behalf of the City of Oakland.

Section 3. The effective date of this Ordinance shall be immediate if at least six Council Members vote in favor of the Ordinance, otherwise, it will take effect on the seventh day after final adoption.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

PASSED BY THE FOLLOWING VOTE:

AYES- BRUNNER, KERNIGHAN, NADEL, SCHAAF, DE LA FUENTE, BROOKS, KAPLAN and PRESIDENT REID

NOES-

ABSENT-

ABSTENTION-

ATTEST: \_\_\_\_\_  
LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California

DATE OF ATTESTATION: \_\_\_\_\_

DRAFT

RESOLUTION OF INTENTION  
TO APPROVE AN AMENDMENT TO CONTRACT  
BETWEEN THE  
BOARD OF ADMINISTRATION  
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
AND THE  
CITY COUNCIL  
CITY OF OAKLAND

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement System by the execution of a contract, and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law; and

WHEREAS, one of the steps in the procedures to amend this contract is the adoption by the governing body of the public agency of a resolution giving notice of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

WHEREAS, the following is a statement of the proposed change:

To provide Section 20475 (Different Level of Benefits). Section 21363.1 (3% @ 55 Full Formula) and Section 20037 (Three-Year Final Compensation) are applicable to local safety members entering membership for the first time in the safety classification after the effective date of this amendment to contract; and to include Section 20516 (4% Employees Sharing Cost of Additional Benefits) for second tier local fire members.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the above agency does hereby give notice of intention to approve an amendment to the contract between said public agency and the Board of Administration of the Public Employees' Retirement System, a copy of said amendment being attached hereto, as an "Exhibit" and by this reference made a part hereof

By: \_\_\_\_\_  
Presiding Officer

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date adopted and approved  
(Amendment)  
CON-302 (Rev. 4/96)



**DRAFT**

**EXHIBIT**

California  
Public Employees' Retirement System



## **AMENDMENT TO CONTRACT**

Between the  
Board of Administration  
California Public Employees' Retirement System  
and the  
City Council  
City of Oakland



The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective September 1, 1970, and witnessed June 5, 1972, and as amended effective April 9, 1973, October 4, 1975, January 10, 1976, July 1, 1976, July 4, 1981, July 30, 1983, December 6, 1985; January 1, 1988, June 30, 1992, September 25, 1993, July 1, 1996, June 14, 2000, July 7, 2001, October 13, 2001, June 21, 2003, June 19, 2004, July 2, 2005, June 3, 2009 and January 23, 2010 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 19 are hereby stricken from said contract as executed effective January 23, 2010, and hereby replaced by the following paragraphs numbered 1 through 21 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean : ..... age 50 for local safety members entering membership in the safety classification on or prior to the effective date of this amendment to contract and age 55 for local safety members entering membership for the first time in the safety classification after the effective date of this amendment to contract.

2. Public Agency shall participate in the Public Employees' Retirement System from and after September 1, 1970 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.
  
3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorneys fees that may arise as a result of any of the following:
  - (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.
  - (b) Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than existing retirement benefits, provisions or formulas.
  - (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.
  - (d) Public Agency's election to file for bankruptcy under Chapter 9 (commencing with section 901) of Title 11 of the United States Bankruptcy Code and/or Public Agency's election to reject this Contract with the CalPERS Board of Administration pursuant to section 365, of Title 11, of the United States Bankruptcy Code or any similar provision of law.
  - (e) Public Agency's election to assign this Contract without the prior written consent of the CalPERS' Board of Administration.
  - (f) The termination of this Contract either voluntarily by request of Public Agency or involuntarily pursuant to the Public Employees' Retirement Law.

- (g) Changes sponsored by Public Agency in existing retirement benefits, provisions or formulas made as a result of amendments, additions or deletions to California statute or to the California Constitution.
4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
- a. Local Fire Fighters hired for the first time as Fire Fighters on or after July 1, 1976 and those Fire Fighters prior to July 1, 1976 who waived their rights as of October 13, 2001.
  - b. Local Police Officers hired for the first time as Police Officers on or after July 1, 1976 and those Police Officers prior to July 1, 1976 who waived their rights as of June 21, 2003.
5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:

PLEASE DO NOT SIGN "EXHIBIT C" ILL

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- g. FIRE EMPLOYEES HIRED PRIOR TO JULY 1, 1976 WHO WILL REMAIN MEMBERS OF THE CITY OF OAKLAND FIRE AND POLICE RETIREMENT SYSTEM AND WHO DID NOT WAIVE THEIR RIGHTS UNDER THAT PLAN AS OF OCTOBER 13, 2001 AND
- h. POLICE EMPLOYEES HIRED PRIOR TO JULY 1, 1976 WHO WILL REMAIN MEMBERS OF THE CITY OF OAKLAND FIRE AND POLICE RETIREMENT SYSTEM AND WHO DID NOT WAIVE THEIR RIGHTS UNDER THAT PLAN AS OF JUNE 21, 2003.

PLEASE DO NOT SIGN "EXHIBIT ONLY"

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8. Assets heretofore accumulated with respect to fire members under the local retirement system who waived their rights under that system on October 13, 2001, have been transferred to the Public Employees' Retirement System and applied against the liability for prior service incurred thereunder. That portion of assets so transferred which represent the accumulated contributions (plus interest thereof) required of the employees under said local system have been credited to the individual membership account of each such employee under the Public Employees' Retirement System.
  
9. Assets heretofore accumulated with respect to police members under the local retirement system who waived their rights under that system on June 21, 2003, have been transferred to the Public Employees' Retirement System and applied against the liability for prior service incurred thereunder. That portion of assets so transferred which represent the accumulated contributions (plus interest thereof) required of the employees under said local system have been credited to the individual membership account of each such employee under the Public Employees' Retirement System.

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PLEASE DO NOT SIGN "EXHIBIT ONLY"

14. The percentage of final compensation to be provided for each year of credited prior and current service as a local safety member entering membership in the safety classification on or prior to the effective date of this amendment to contract shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50 Full).
15. The percentage of final compensation to be provided for each year of credited current service as a local safety member entering membership for the first time in the safety classification after the effective date of this amendment to contract shall be determined in accordance with Section 21363.1 of said Retirement Law (3% at age 55 Full).

PLEASE DO NOT SIGN "EXHIBIT ONLY"

16. Public Agency elected and elects to be subject to the following optional provisions:

- a. Sections 21624, 21626 and 21628 (Post-Retirement Survivor Allowance).
- c. Section 20042 (One-Year Final Compensation) for those local safety members entering membership on or prior to the effective date of this amendment to contract
- d. Section 21573 (Third Level of 1959 Survivor Benefits) for local fire members only.
- e. Section 21024 (Military Service Credit as Public Service).
- f. Section 20431 ("Local Police Officer" shall include city jail, detention or correctional facility employees as described in Government Code Section 20431).
- g. Section 20434 ("Local Fire Fighter" shall include any officer or employee of a fire department employed to perform firefighting, fire prevention, fire training, hazardous materials, emergency medical services, or fire or arson investigation services as described in Government Code Section 20434).
- h. Section 21023.5 (Public Service Credit for Peace Corps, AmeriCorps VISTA, or AmeriCorps Service).
- i. Section 20965 (Credit for Unused Sick Leave) for local fire members only.
- j. Section 20903 (Two Years Additional Service Credit).
- k. Section 21024.5 (Public Service Credit for Career Federal/State Firefighter Service).
- l. Section 20516 (Employees Sharing Cost of Additional Benefits):  
Section 21362.2 (3% @ 50 Full formula) and Section 21363.1 (3% @ 55 Full formula) for local fire members.

From and after January 23, 2010 the fire employees of Public Agency shall be assessed an additional 4% of their compensation for a total contribution rate of 13% pursuant to Government Code Section 20516.

m.

Section 21363.1 (3% @ 55 Full formula) and Section 20037 (Three-Year Final Compensation) are applicable to local safety members entering membership for the first time in the safety classification after the effective date of this amendment to contract.

17. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on October 4, 1975. Accumulated contributions of Public Agency shall be fixed and determined as provided in Government Code Section 20834, and accumulated contributions thereafter shall be held by the Board as provided in Government Code Section 20834.
18. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local safety members of said Retirement System.
19. Public Agency shall also contribute to said Retirement System as follows:
  - a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21573 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local fire members.
  - b. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
  - c. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.

# DRAFT

20. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.
21. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

BOARD OF ADMINISTRATION  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL  
CITY OF OAKLAND

BY \_\_\_\_\_  
DARRYL WATSON, CHIEF  
CUSTOMER ACCOUNT SERVICES DIVISION  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY \_\_\_\_\_  
PRESIDING OFFICER

\_\_\_\_\_  
Witness Date

Attest:

\_\_\_\_\_  
Clerk