



FILED
OFFICE OF THE CITY CLERK
OAKLAND

2016 OCT 20 PM 4: 55

AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Katano Kasaine
City Treasurer

SUBJECT: Approval of Classic Safety Police
(Tier I & Tier II) Additional 1%
Pension Cost Sharing

DATE: October 11, 2016

City Administrator
Approval

Date

10/20/16

RECOMMENDATION

Staff recommends that the City Council adopt:

A Resolution Of Intention Of The California Public Employees' Retirement System (CalPERS) And An Ordinance Of The City of Oakland To Approve An Amendment To The Contract Between The City Of Oakland And The Board Of Administration Of CalPERS To Include A One Percent (1%) Employees Cost Sharing Of Additional Benefits For Tier I & Tier II Classic Police Members (California Government Code Section 20516) As Approved In The 2015 Memorandum of Understanding (MOU) Between City Of Oakland And Oakland Police Officers' Association (OPOA), City Of Oakland And Oakland Police Management Association (OPMA).

EXECUTIVE SUMMARY

Adoption of the proposed Ordinance would allow the City of Oakland to amend the CalPERS contract to increase the required employee contribution for all Classic Police Safety (Tier I & Tier II) employees from the current contribution rate of eleven percent (11%) to twelve percent (12%). The CalPERS contract must be amended to allow for the additional pension cost sharing of one percent (1%) for all Classic Police Safety Employees per the 2015 Memorandum of Understanding between the City of Oakland and OPOA as well as the City of Oakland and OPMA. California Public Employees' Pension Reform Act (PEPRA) Tier III Police Safety Employees are already set at a contribution rate of eleven and a half percent (11.5%). This change only impacts Classic Police Safety Employees hired before January 1, 2013 (Tier I & Tier II).

The Resolution of Intention (**Attachment A**) and Oakland City Council Ordinance (**Attachment B**) is required by CalPERS to change the current employee contribution rates in the existing retirement contract between the City of Oakland and CalPERS to be in line with the 2015 OPOA & OPMA MOU's. The new Classic Safety Police employee retirement contribution rate was agreed upon in the 2015 OPOA & OPMA MOU which was approved by City Council on December 8, 2015 via Ordinance No. 13340 C.M.S. and Ordinance No. 13341 C.M.S. (**Attachment C**).

Item: _____
City Council
November 1, 2016

BACKGROUND/LEGISLATIVE HISTORY

On September 12, 2012 the Governor of California signed pension reform AB 340, which included the California Public Employees' Pension Reform Act of 2013 (PEPRA). This legislature created a new Public Safety Tier III, which requires an eleven and a half percent (11.5%) employee contribution rate for all Safety City of Oakland employees hired after January 1, 2013. However, Classic Safety Police (Tier I & Tier II) employees remained at a nine percent (9%) employee contribution rate per the previous OPOA & OPMA MOU's (2006-2015).

On December 8, 2015, the City Council approved the July 1, 2015 through June 30, 2019 Memorandum of Understanding between the City of Oakland and OPOA & the City of Oakland and OPMA through passage of Ordinance No. 13340 C.M.S. and Ordinance No. 13341 C.M.S.

Pursuant to the 2015 Police MOU's, all represented Classic members (Tier I & Tier II) as defined in Section A of Article V (OPMA) and Section A of Article IV (OPOA), hired before January 1, 2013, shall pay two percent (2%) of the employer's share of the CalPERS Pension Cost effective January 1, 2016 and an additional one percent (1%) effective January 1, 2017. Such contributions shall be made on pre-tax basis pursuant to section 414(h)(2) of the Internal Revenue Code.

Upon approval of the attached Resolution of Intention and Oakland City Council Ordinance, all Classic Safety Police (Tier I & Tier II) Employees will have a total Employee Retirement Contribution Rate of twelve percent (12%). Tier III Safety Police Employees will retain an employee retirement contribution rate of eleven and a half percent (11.5%) in accordance with the Public Employees Retirement Law and the Public Employees' Pension Reform Act of 2013.

ANALYSIS

In order to adjust the new City of Oakland Classic Police Safety Employee retirement contribution to CalPERS from eleven percent (11%) to twelve percent (12%), CalPERS process requires that the City of Oakland approve a separate Resolution and Ordinance approving the additional cost sharing of one percent (1%). A resolution has been prepared on a CalPERS-sanctioned form for City Council's approval. The language in the resolution revalidates Article IV- Retirement: Employee Contribution to Employer Share (OPOA) and Article V- Retirement: Employee Contribution to Employer Share (OPMA) in the 2015 MOU's adopted by City Council Ordinance No. 13340 C.M.S. and Ordinance No. 13341 C.M.S., designating additional Cost Sharing for all Classic Safety Police Employees.

Upon approval of the attached Resolution and Ordinance, all Classic Safety Police (Tier I & Tier II) Employees will have a total Employee Retirement Contribution Rate of twelve percent (12%). Tier III Safety Police Employees will retain an employee retirement contribution rate of eleven and a half percent (11.5%) in accordance with the Public Employees Retirement Law and the Public Employees' Pension Reform Act of 2013.

FISCAL IMPACT

There are no costs associated with this report.

PUBLIC OUTREACH/INTEREST

This item did not require any additional public outreach other than the required posting on the City's website.

COORDINATION

This report has been prepared by the Treasury Bureau in coordination with City Attorney's Office, and Budget Office.

SUSTAINABLE OPPORTUNITIES

Economic: There are no impacts to economic opportunities associated with this report.

Environmental: There are no impacts to environmental opportunities associated with this report.

Social Equity: There are no impacts to social equity opportunities associated with this report.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council approve a Resolution of Intention of the California Public Employees' Retirement System (CalPERS) and an Ordinance of the City of Oakland to approve an amendment to the contract between the City of Oakland and the Board of Administration of CalPERS to include a one percent (1%) employees cost sharing of additional benefits for Tier I & Tier II Classic Police members (California Government code section 20516) as approved in the 2015 Memorandum of Understanding (MOU) between Oakland Police Officers' Association (OPOA) and the City of Oakland / Oakland Police Management Association (OPMA) and the City of Oakland.

For questions regarding this report, please contact Katano Kasaine, Treasurer, at (510) 238-2989.

Respectfully submitted,



KATANO KASAINE
City Treasurer

Prepared by:
LaShae Walker, Accountant III
Treasury Bureau / Payroll Unit

Attachment(s):

Attachment A: Resolution of Intention to Approve Amendment to Contract

Attachment B: Oakland City Council Ordinance

Exhibit I to the Ordinance: CalPERS Amendment to Contract

Attachment C: Oakland City Council Ordinance No. 13340 C.M.S. &
Ordinance No. 13341 C.M.S. – 2015 OPOA/OPMA MOU Approval

ATTACHMENT A

Resolution of Intention to
Approve Amendment to Contract

FILED
OFFICE OF THE CITY CLERK
OAKLAND

Approved as to Form and Legality


City Attorney's Office

2010 OCT 20 PM 4:55

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

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 public agencies may elect to subject themselves and their employees to amendments to said Law; and

WHEREAS, the procedures to amend this contract require 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 20516 (Employees Sharing Additional Cost) of an additional 1% for classic local police members; now, therefore, be it

RESOLVED: That the governing body of the City of Oakland does hereby give notice of intention to approve an amendment to the contract between the City of Oakland, a California municipal organization, 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; and be it

FURTHER RESOLVED: That the City Administrator is hereby authorized to execute the Public Employees' Retirement System contract amendment authorized hereunder and perform other actions necessary to carry out the intent of this Resolution.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL-WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID AND PRESIDENT GIBSON MCELHANEY

NOES -

ABSENT –
ABSTENTION –

ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council of the City
of Oakland, California

**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 20516 (Employees Sharing Additional Cost) of an additional 1% for classic local police 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

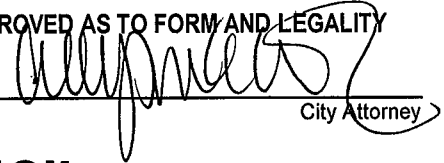
ATTACHMENT B

Oakland City Council Ordinance

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2016 OCT 20 PM 4:55

APPROVED AS TO FORM AND LEGALITY



City Attorney

INTRODUCED BY COUNCILMEMBER _____

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 INCLUDE A ONE PERCENT (1%) EMPLOYEES COST SHARING OF ADDITIONAL BENEFITS FOR TIER I AND TIER II CLASSIC POLICE MEMBERS (CALIFORNIA GOVERNMENT CODE SECTION 20516)

WHEREAS, on December 8, 2015 the City Council approved Memoranda of Understanding between the City of Oakland and the labor organizations representing safety employees, Oakland Police Officers Association (OPOA) and Oakland Police Management Association (OPMA), to implement changes to the retirement plans; and

WHEREAS, based on the OPOA & OPMA MOU, all Classic Safety Police employees are subject to an increased Employee Contribution from eleven percent (11%) to twelve percent (12%) towards their CalPERS Retirement benefits through the implementation of a one percent (1%) Employee Pension Cost Sharing of additional benefits under California Government Code Section 20516; and

WHEREAS, one percent (1%) of the employer's share of the CalPERS Pension Cost sharing contributions shall be made on pre-tax basis pursuant to section 414(h)(2) of the Internal Revenue Code; and

WHEREAS, pursuant to California Government Code Section 20471, amendments to the contract between the City of Oakland and the Board of Administration of CalPERS must be approved by ordinance by a majority of the legislative body, which is 5 votes of the City Council; and

WHEREAS, pursuant to Section 500 of the Oakland City Charter, the City Administrator is the chief administrative officer of the City of Oakland, and pursuant to Section 504 of the Oakland City Charter, it is the administrative duty of the City Administrator to execute contracts authorized by the City Council on behalf of the City of Oakland; and now therefore

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 City Administrator 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- BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID and PRESIDENT GIBSON MCELHANEY

NOES-

ABSENT-

ASTENTION-

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

DATE OF ATTESTATION: _____

NOTICE AND DIGEST

Ordinance amending the contract between the City of Oakland and the Board of Administration of CalPERS to include a one percent (1%) employees cost sharing of additional benefits for Tier I & Tier II Classic Police members (California Government code section 20516) as approved in the 2015 Memorandum of Understanding (MOU) between Oakland Police Officers' Association (OPOA) and the City of Oakland / Oakland Police Management Association (OPMA) and the City of Oakland.

EXHIBIT I

CalPERS Amendment to Contract



EXHIBIT

California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
City of 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, January 23, 2010, February 8, 2012, June 8, 2012, December 20, 2014 and July 30, 2016 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 23 are hereby stricken from said contract as executed effective July 30, 2016, and hereby replaced by the following paragraphs numbered 1 through 23 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 55 for classic local miscellaneous members, age 62 for new local miscellaneous members, age 50 for classic local safety members entering membership in the safety classification on or prior to February 8, 2012, age 55 for classic local safety members entering membership for the first time in the safety classification after February 8, 2012 and age 57 for new local safety members.

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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 attorney 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) Any dispute, disagreement, claim, or proceeding (including without limitation arbitration, administrative hearing, or litigation) between Public Agency and its employees (or their representatives) which relates to Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than such employees' 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.
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;

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- c. School Safety Members (herein referred to as local safety members).

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:

- a. **MISCELLANEOUS EMPLOYEES, OTHER THAN ELECTIVE OFFICERS WHO ENTERED PUBLIC AGENCY SERVICE PRIOR TO SEPTEMBER 1, 1970 AND WHO HAVE NOT EXECUTED AND FILED, IN ACCORDANCE WITH RESOLUTIONS OF THE CITY COUNCIL A WAIVER OF RIGHTS UNDER THE OAKLAND MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM PRIOR TO SEPTEMBER 1, 1970, OR IN THE PERIODS FEBRUARY 15, 1973 THROUGH MARCH 15, 1973, INCLUSIVE, OR NOVEMBER 24, 1975 THROUGH DECEMBER 19, 1975, INCLUSIVE, OR MAY 15, 1981 THROUGH JUNE 15, 1981, INCLUSIVE. THE EXCLUSION OF A MEMBER EXECUTING AND FILING SUCH WAIVER IN THE PERIOD MAY 15, 1981, THROUGH JUNE 15, 1981, INCLUSIVE, SHALL CEASE AND HIS MEMBERSHIP SHALL BE EFFECTIVE ON JULY 4, 1981 AND THOSE EMPLOYEES WHO DID NOT WAIVE THEIR RIGHTS AS OF JUNE 19, 2004;**
- b. **THE PROVISION OF PARAGRAPH 5.a. SHALL ALSO APPLY TO INDIVIDUALS HIRED PRIOR TO SEPTEMBER 1, 1970 WHO TERMINATED EMPLOYMENT WITH THE PUBLIC AGENCY, LEFT CONTRIBUTIONS ON DEPOSIT WITH OAKLAND MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM, AND ARE MEMBERS OF THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM;**
- c. **THE PROVISION OF PARAGRAPH 5.a. SHALL NOT APPLY TO EMPLOYEES OF PUBLIC AGENCY HIRED AFTER JULY 4, 1981, AS TO FUTURE SERVICE. SUCH EMPLOYEES MAY EXECUTE A WAIVER OF RIGHTS UNDER THE OAKLAND MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM WITHIN 30 DAYS OF NOTICE BY LOCAL AGENCY OF RIGHT TO EXECUTE A WAIVER AND WILL RECEIVE SERVICE CREDIT IN THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM FOR LOCAL SYSTEM SERVICE UPON PAYMENT OF CONTRIBUTIONS WITHDRAWN FROM THE LOCAL SYSTEM UNDER THE PROVISIONS OF GOVERNMENT CODE SECTION 20523 OR UPON TRANSFER OF MEMBER CONTRIBUTIONS FROM THE LOCAL SYSTEM UNDER THE PROVISIONS OF GOVERNMENT CODE SECTION 20530;**

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- d. **MEMBERS OF BOARDS AND COMMISSIONS APPOINTED BY THE MAYOR OR THE CITY COUNCIL;**
 - e. **EMPLOYEES AND MEMBERS OF THE BOARD OF EDUCATION;**
 - f. **PERSONS EMPLOYED ON PROVISIONAL APPOINTMENTS, PURSUANT TO CITY OF OAKLAND CHARTER SECTION 803, OTHER THAN CITY OF OAKLAND EMPLOYEES WHO ARE MEMBERS OF PERS AND ACCEPT SUCH APPOINTMENT AFTER SEPTEMBER 1, 1970, AND PERSONS EMPLOYED FOR SEASONAL EMPLOYMENT PURSUANT TO SECTION 802(d) OF THE CHARTER;**
 - 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;**
 - 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.**
6. Permanent part-time employees hired prior to September 1, 1970 were excluded from membership in the Public Employees' Retirement System prior to July 4, 1981 because they were not eligible for membership in the Oakland Municipal Employees' Retirement System and could not execute a waiver of rights pursuant to paragraph 5.a. of this contract. This exclusion shall not apply to those employees in employment of public agency on or after July 4, 1981.
7. Assets heretofore accumulated with respect to miscellaneous members under the local retirement system who waived their rights under that system on April 9, 1973, January 10, 1976, July 4, 1981 and June 19, 2004, 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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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.
10. Public Agency and the Redevelopment Agency of the City of Oakland have agreed to a merger of their contracts, and this contract shall be a continuation of the benefits of the contract of the Redevelopment Agency of the City of Oakland, pursuant to Section 20567.6 of the Government Code. Such merger is effective as of December 28, 1975. Public Agency, by this contract, assumes the assets and liabilities accumulated under the former contract of the Redevelopment Agency of the City of Oakland. Legislation repealed said Section effective January 1, 1988.
 - a. The optional provisions of Section 21354 shall apply to all past service for former employees of the Redevelopment Agency of the City of Oakland.
11. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local miscellaneous member in employment before and not on or after June 19, 2004 shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Full).
12. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local miscellaneous member in employment on or after June 19, 2004 and not entering membership for the first time with this agency in the miscellaneous classification after June 8, 2012 shall be determined in accordance with Section 21354.5 of said Retirement Law (2.7% at age 55 Full).

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13. The percentage of final compensation to be provided for each year of credited current service as a classic local miscellaneous member entering membership for the first time with this agency in the miscellaneous classification after June 8, 2012 shall be determined in accordance with Section 21354.4 of said Retirement Law (2.5% at age 55 Full).
14. The percentage of final compensation to be provided for each year of credited prior and current service as a new local miscellaneous member shall be determined in accordance with Section 7522.20 of said Retirement Law (2% at age 62 Full).
15. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local safety member entering membership in the safety classification on or prior to February 8, 2012 shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50 Full).
16. The percentage of final compensation to be provided for each year of credited current service as a classic local safety member entering membership for the first time with this agency in the safety classification after February 8, 2012 shall be determined in accordance with Section 21363.1 of said Retirement Law (3% at age 55 Full).
17. The percentage of final compensation to be provided for each year of credited prior and current service as a new local safety member shall be determined in accordance with Section 7522.25(d) of said Retirement Law (2.7% at age 57 Full).
18. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Sections 21624, 21626 and 21628 (Post-Retirement Survivor Allowance).
 - b. Section 21536 (Local System Service Credit Included in Basic Death Benefit) for local miscellaneous members only.
 - c. Section 20042 (One-Year Final Compensation) for classic local safety members entering membership on or prior to February 8, 2012 and for those classic local miscellaneous members entering membership on or prior to June 8, 2012.
 - d. Section 21573 (Third Level of 1959 Survivor Benefits) for local fire members only.

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- 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% @ 55 Full formula) and Section 21363.1 (3% @ 55 Full formula) for classic local fire members.

From and after January 23, 2010 the classic 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 20475 (Different Level of Benefits): Section 21363.1 (3% @ 55 Full formula) and Section 20037 (Three-Year Final Compensation) are applicable to classic local safety members entering membership for the first time with this agency in the safety classification after February 8, 2012.

Section 21354.4 (2.5% @ 55 Full formula) and Section 20037 (Three-Year Final Compensation) are applicable to classic local miscellaneous members entering membership for the first time with this agency in the miscellaneous classification after June 8, 2012.

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n. Section 20516 (Employees Sharing Additional Cost):

From and after December 20, 2014, 1% for new local fire members.

From and after the July 30, 2016, 2% for classic local police members.

From and after the effective date of this amendment to contract, 3% for classic local police members.

The portion of the employer's contribution that the member agrees to contribute from his or her compensation, over and above the member's normal contribution ("Cost Sharing Percentage"), shall not exceed the Employer Normal Cost Rate, as that rate is defined in the CalPERS Actuarial Valuation for the relevant fiscal year. If the Cost Sharing Percentage will exceed the relevant Employer Normal Cost Rate, the Cost Sharing Percentage shall automatically be reduced to an amount equal to, and not to exceed, the Employer Normal Cost Rate for the relevant fiscal year.

19. 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.
20. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.
21. 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.

22. 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.

23. 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 _____
CHERYL EASON
CHIEF FINANCIAL OFFICER
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

Witness Date

Attest:

Clerk

PLEASE DO NOT SIGN "EXHIBIT ONLY"
PLEASE DO NOT SIGN "EXHIBIT ONLY"

ATTACHMENT C

Oakland City Council Ordinance No. 13340 C.M.S.

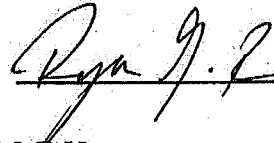
And Ordinance No. 13341 C.M.S

2015 OPOA MOU & OPMA MOU

FILED
OFFICE OF THE CITY CLERK
OAKLAND
INTRODUCED BY COUNCIL MEMBER
2018 NOV -5 PM 4:33

ATTACHMENT 2

APPROVED AS TO FORM AND LEGALITY


CITY ATTORNEY

OAKLAND CITY COUNCIL
ORDINANCE NO. 13341 C.M.S.

ORDINANCE AMENDING THE SALARY SCHEDULE OF ORDINANCE NO. 12187 C.M.S. ("SALARY ORDINANCE") TO PROVIDE COST OF LIVING ADJUSTMENTS TO THE SALARIES OF CERTAIN SWORN EMPLOYEES PURSUANT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF OAKLAND AND THE OAKLAND POLICE OFFICERS ASSOCIATION; THE COST OF LIVING ADJUSTMENTS SHALL BE AS FOLLOWS: INCREASE OF 4% EFFECTIVE JULY 1, 2015; INCREASE OF 4% EFFECTIVE MAY 1, 2017, INCREASE OF 2.5% EFFECTIVE JANUARY 1, 2018, AND INCREASE OF 2.5% EFFECTIVE JANUARY 1, 2019 INCLUDING EQUITY ADJUSTMENTS OF 2.5% EFFECTIVE JANUARY 1, 2016, EQUITY ADJUSTMENTS OF 1.0% EFFECTIVE JANUARY 1, 2017, EQUITY ADJUSTMENTS OF 1.0% EFFECTIVE JANUARY 1, 2018, AND EQUITY ADJUSTMENTS OF 2.0% EFFECTIVE JULY 1, 2018

WHEREAS, the Memorandum of Understanding between the City of Oakland and the Oakland Police Officers Association has been approved by the parties pursuant to Section 3505.1 of the Government Code of the State of California; and

WHEREAS, said agreement is approved and includes increases to salaries of 4 percent on July 1, 2015, 4% on May 1, 2017, 2.5% on January 1, 2018 and 2.5% on January 1, 2019 and equity adjustments of 2.5% on January 1, 2016, 1.0% on January 1, 2017, 1.0% on January 1, 2018 and 2.0% on July 1, 2018 for employees represented by Oakland Police Officers Association; and

WHEREAS, Oakland City Charter Section 207 requires that the Council shall fix the compensation of all City employees; now, therefore

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

Section 1. Effective July 1, 2015, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Officers Association are increased by 4%.

Section 2. Effective January 1, 2016, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Officers Association are receiving an equity adjustment salary increase of 2.5%.

Section 3. Effective January 1, 2017, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Officers Association are receiving an equity adjustment salary increase of 1.0%.

Section 4. Effective May 1, 2017, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Officers Association are increased by 4%.

Section 5. Effective January 1, 2018, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Officers Association are increased by 2.5%, and an equity adjustment salary increase of 1.0%.

Section 6. Effective July 1, 2018, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Officers Association are receiving an equity adjustment salary increase of 2.0%.

Section 7. Effective January 1, 2019, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Officers Association are increased by 2.5%.

Section 8. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more others section, subsection, clauses or phrases may be declared invalid or unconstitutional.

Section 9. Effective Date. This ordinance shall become effective immediately on final adoption if it receives six or more affirmative votes; otherwise it shall become effective upon the seventh day after final adoption.

IN COUNCIL, OAKLAND, CALIFORNIA, DEC - 8 2015, 2015

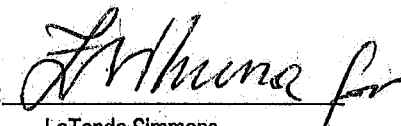
PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, CAMPBELL-WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID and PRESIDENT GIBSON
MCELHANEY - 8

NOES- 0

ABSENT- 0

ABSTENTION- 0

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

Introduction Date
NOV 17 2015

DATE OF ATTESTATION: 12/11/15

ATTACHMENT 3

LIST OF CLASSIFICATIONS		
REP	CLASS_NUM	TITLE
PP1	PS151	Lieutenant of Police
PP1	PS152	Lieutenant of Police (PERS)
PP1	PS167	Police Officer
PP1	PS168	Police Officer (PERS)
PP1	PS178	Sergeant Of Police
PP1	PS179	Sergeant of Police (PERS)
PP1	PS189	Police Officer
PP1	PS190	Police Officer (PERS)
PP1	PS191	Sergeant of Police
PP1	PS192	Sergeant of Police (PERS)
PP1	PS193	Lieutenant of Police
PP1	PS194	Lieutenant of Police (PERS)
PT1	PS169	Police Officer Trainee

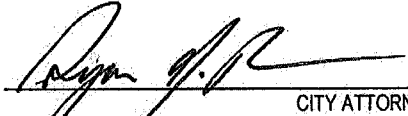
ORDINANCE AMENDING THE SALARY SCHEDULE OF ORDINANCE NO. 12187 C.M.S. ("SALARY ORDINANCE") TO PROVIDE COST OF LIVING ADJUSTMENTS TO THE SALARIES OF CERTAIN SWORN EMPLOYEES PURSUANT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF OAKLAND AND THE OAKLAND POLICE OFFICERS' ASSOCIATION; THE COST OF LIVING ADJUSTMENTS SHALL BE AS FOLLOWS: INCREASE OF 4% EFFECTIVE JULY 1, 2015; INCREASE 4% EFFECTIVE MAY 1, 2017; INCREASE 2.5% EFFECTIVE JANUARY 1, 2018; AND INCREASE OF 2.5% EFFECTIVE JANUARY 1, 2019 INCLUDING EQUITY ADJUSTMENTS OF 2.5% EFFECTIVE JANUARY 1, 2016, EQUITY ADJUSTMENTS OF 1.0% EFFECTIVE JANUARY 1, 2017, EQUITY ADJUSTMENTS OF 1.0% EFFECTIVE JANUARY 1, 2018, AND EQUITY ADJUSTMENTS OF 2.0% EFFECTIVE JULY 1, 2018

DIGEST

Ordinance Amending The Salary Schedule Of Ordinance No. 12187 C.M.S. ("Salary Ordinance") To Adjust The Salary Rates For All Classifications Represented by the Oakland Police Officers' Association; the Cost of Living Adjustments Shall Be As Follows: 4% Increase Effective July 1, 2015; 4% Increase Effective May 1, 2017; 2.5% Increase Effective January 1, 2018; and 2.5% Increase Effective January 1, 2019 Including Equity Adjustments Of 2.5% Effective January 1, 2016, Equity Adjustments Of 1.0% Effective January 1, 2017, Equity Adjustments Of 1.0% Effective January 1, 2018, And Equity Adjustments Of 2.0% Effective July 1, 2018.

FILED
OFFICE OF THE CITY CLERK
INTRODUCED BY COUNCIL MEMBER

2015 NOV -5 PM 4:30


CITY ATTORNEY

OAKLAND CITY COUNCIL
ORDINANCE No. 13340 C.M.S.

ORDINANCE AMENDING THE SALARY SCHEDULE OF ORDINANCE NO. 12187 C.M.S. ("SALARY ORDINANCE") TO PROVIDE COST OF LIVING ADJUSTMENTS TO THE SALARIES OF CERTAIN SWORN EMPLOYEES PURSUANT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF OAKLAND AND THE OAKLAND POLICE MANAGEMENT ASSOCIATION AND THE UNREPRESENTED ASSISTANT CHIEF OF POLICE, AND THE UNREPRESENTED SALARY RANGE OF THE CLASSIFICATION CHIEF OF POLICE; THE COST OF LIVING ADJUSTMENTS SHALL BE AS FOLLOWS: INCREASE OF 4% EFFECTIVE JULY 1, 2015; INCREASE OF 4% EFFECTIVE MAY 1, 2017, INCREASE OF 2.5% EFFECTIVE JANUARY 1, 2018, AND INCREASE OF 2.5% EFFECTIVE JANUARY 1, 2019 INCLUDING EQUITY ADJUSTMENTS OF 2.5% EFFECTIVE JANUARY 1, 2016, EQUITY ADJUSTMENTS OF 1.0% EFFECTIVE JANUARY 1, 2017, EQUITY ADJUSTMENTS OF 1.0% EFFECTIVE JANUARY 1, 2018, AND EQUITY ADJUSTMENTS OF 2.0% EFFECTIVE JULY 1, 2018

WHEREAS, the Memorandum of Understanding between the City of Oakland and the Oakland Police Management Association has been approved by the parties pursuant to Section 3505.1 of the Government Code of the State of California; and

WHEREAS, said agreement is approved and includes increases to salaries of 4 percent on July 1, 2015, 4% on May 1, 2017, 2.5% on January 1, 2018 and 2.5% on January 1, 2019 and equity adjustments of 2.5% on January 1, 2016, 1.0% on January 1, 2017, 1.0% on January 1, 2018 and 2.0% on July 1, 2018 for employees represented by Oakland Police Management Association and the unrepresented Assistant Chief of Police, and the salary range of the unrepresented classification of Chief of Police; and

WHEREAS, Oakland City Charter Section 207 requires that the Council shall fix the compensation of all City employees; now, therefore

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

Section 1. Effective July 1, 2015, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Management Association, and the unrepresented Assistant Chief of Police, and the unrepresented salary range of the classification of Chief of Police are increased by 4%;

Section 2. Effective January 1, 2016, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police

Management Association, and the unrepresented Assistant Chief of Police, and the unrepresented salary range of the classification of Chief of Police, are receiving an equity adjustment salary increase of 2.5%;

Section 3. Effective January 1, 2017, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Management Association, and the unrepresented Assistant Chief of Police, and the unrepresented salary range of the classification of Chief of Police, are receiving an equity adjustment salary increase of 1.0%.

Section 4. Effective May 1, 2017, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Management Association, and the unrepresented Assistant Chief of Police, and the unrepresented salary range of the classification of Chief of Police, are increased by 4%.

Section 5. Effective January 1, 2018, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Management Association, and the unrepresented Assistant Chief of Police, and the unrepresented salary range of the classification of Chief of Police, are increased by 2.5%, and an equity adjustment salary increase of 1.0%.

Section 6. Effective July 1, 2018, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Management Association, and the unrepresented Assistant Chief of Police, and the unrepresented salary range of the classification of Chief of Police, are receiving an equity adjustment salary increase of 2.0%.

Section 7. Effective January 1, 2019, the classifications and associated salaries listed in the current Memorandum of Understanding between the City of Oakland and the Oakland Police Management Association, and the unrepresented Assistant Chief of Police, and the unrepresented salary range of the classification of Chief of Police, are increased by 2.5%.

Section 8. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more others section, subsection, clauses or phrases may be declared invalid or unconstitutional.

Section 9. Effective Date. This ordinance shall become effective immediately on final adoption if it receives six or more affirmative votes; otherwise it shall become effective upon the seventh day after final adoption.

IN COUNCIL, OAKLAND, CALIFORNIA, DEC - 8 2015, 2015

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, CAMPBELL-WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID and PRESIDENT GIBSON
MCELHANEY - 8

NOES- 0

ABSENT- 0

ABSTENTION- 0

ATTEST: 

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

DATE OF ATTESTATION: 12/11/15

Introduction Date

NOV 17 2015

ATTACHMENT 3

LIST OF CLASSIFICATIONS		
REP	CLASS NUMBER	TITLE
UN1	EM122	Chief of Police
UN1	EM237	Chief of Police, Assistant
UN2	PS106	Captain of Police
UN2	PS107	Captain of Police (PERS)
UN2	EM134	Deputy Chief of Police
UN2	EM135	Deputy Chief of Police (PERS)

ORDINANCE AMENDING THE SALARY SCHEDULE OF ORDINANCE NO. 12187 C.M.S. ("SALARY ORDINANCE") TO PROVIDE COST OF LIVING ADJUSTMENTS TO THE SALARIES OF CERTAIN SWORN EMPLOYEES PURSUANT TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF OAKLAND AND THE OAKLAND POLICE MANAGEMENT ASSOCIATION AND ASSISTANT CHIEF OF POLICE; THE COST OF LIVING ADJUSTMENTS SHALL BE AS FOLLOWS: INCREASE OF 4% EFFECTIVE JULY 1, 2015; INCREASE 4% EFFECTIVE MAY 1, 2017; INCREASE 2.5% EFFECTIVE JANUARY 1, 2018; AND INCREASE OF 2.5% EFFECTIVE JANUARY 1, 2019 INCLUDING EQUITY ADJUSTMENTS OF 2.5% EFFECTIVE JANUARY 1, 2016, EQUITY ADJUSTMENTS OF 1.0% EFFECTIVE JANUARY 1, 2017, EQUITY ADJUSTMENTS OF 1.0% EFFECTIVE JANUARY 1, 2018, AND EQUITY ADJUSTMENTS OF 2.0% EFFECTIVE JULY 1, 2018

DIGEST

Ordinance Amending The Salary Schedule Of Ordinance No. 12187 C.M.S. ("Salary Ordinance") To Adjust The Salary Rates For All Classifications Represented by the Oakland Police Management Association and Assistant Chief of Police; the Cost of Living Adjustments Shall Be As Follows: 4% Increase Effective July 1, 2015; 4% Increase Effective May 1, 2017; 2.5% Increase Effective January 1, 2018; and 2.5% Increase Effective January 1, 2019 Including Equity Adjustments Of 2.5% Effective January 1, 2016, Equity Adjustments Of 1.0% Effective January 1, 2017, Equity Adjustments Of 1.0% Effective January 1, 2018, And Equity Adjustments Of 2.0% Effective July 1, 2018.
