



Legislation Text

File #: 18-187, **Version:** 1

Staff Report to Adopt a Resolution of Intention to Approve an Amendment to the Contract with the Board of Administration of the California Public Employees' Retirement System (CalPERS) to Include Provisions Pursuant to Government Code 20516 "Cost Sharing" for Local Police Members in Accordance with the San Leandro Police Officers Association Memorandum of Understanding and to Adopt an Ordinance Authorizing an Amendment to the Contract with the Board of Administration of CalPERS to Provide Section 20516 (1% employee cost sharing) for Local Police Members in Accordance with the Memorandum of Understanding

SUMMARY AND RECOMMENDATIONS

Staff recommends that the City Council adopt a resolution of intention and Ordinance to approve an amendment to the City's contract with CalPERS to allow employee cost sharing of the employer contribution rate.

BACKGROUND

As a result of contract negotiations, the City Council approved the San Leandro Police Officers Association (SLPOA) Memorandum of Understanding (MOU) for the period of January 1, 2016 through December 31, 2019. As permitted by Government Code Section 20516, SLPOA employees agreed to pay a portion of the City's employer CalPERS contribution. Per the MOU, SLPOA Classic Safety employees agreed to the following cost-sharing schedule:

- Effective July 1, 2017, employees will pay an additional one percent (1%) towards the employer's pension contribution rate for a total employee contribution of 10%.
- Effective July 1, 2018, employees will pay an additional one percent (1%) towards the employer's pension contribution rate for a total employee contribution of 11%.
- Effective July 1, 2019, employees will pay an additional one percent (1%) towards the employer's pension contribution rate for a total employee contribution of 12%.

At the City Council meeting on May 15, 2017, the City Council approved the initial 1% cost share provision and amended the CalPERS contract to reflect the change. As we move into the second year of the MOU, the City must again amend its contract with CalPERS to include an additional one percent (1%) towards the employer's pension contribution rate.

DISCUSSION

In order to comply with the cost share provision, the City must annually amend its contract with CalPERS. The CalPERS contract amendment requires that the Council adopt a Resolution of Intention to Approve an Amendment to Contract and adopt an Ordinance Authorizing an Amendment to the Contract. In addition, a secret ballot election will be held among affected SLPOA employees.

The second reading and adoption of an Ordinance will be presented to the City Council on June 4, 2018.

Fiscal Impacts

There is no fiscal impact with the approval of this resolution. The fiscal impact of the cost sharing was presented when the SLPOA MOU was approved.

Previous Action

- Resolution 2016-163 Approving the Memorandum of Understanding between the City of San Leandro and the San Leandro Police Officers' Association (SLPOA) for the period January 1, 2016 through December 31, 2019.
- Ordinance 2017-012 Authorizing an Amendment to the contract between the Board of Administration of the California Public Employees' Retirement System and the City of San Leandro to include provisions pursuant to Government Code Section 20516 "Cost Sharing" for Classic Local Police Members in accordance with the San Leandro Police Officers' Association (SLPOA) Memorandum of Understanding.

Attachments:

- Draft Amendment to CalPERS contract

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