

ITEM No. 4 - A

MOTION

I MOVE that the matter of the Continued Consideration of Communications from the City Administrative Officer (CAO) and City Attorney and Ordinance First Consideration relative to amendments to the 2007-13 Memoranda of Understanding (MOU) for the Coalition of Los Angeles City Unions (Coalition), Item No. 4 on today's Council Agenda (CF 09-2624) **BE AMENDED** to present and adopt the attached ordinance, in lieu of the ordinance attached to the file; and to approve the following Recommendation No.1 in lieu of Recommendation No. 1 as identified on today's Council agenda:

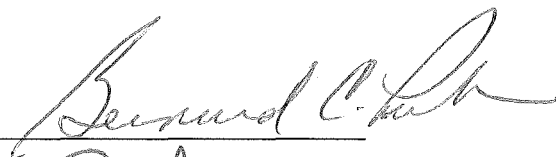
1. APPROVE the amendments to the 2007-13 MOU for the following ~~eighteen~~ fourteen bargaining units, contingent on ratification of the terms and conditions by the membership of each unit: MOUs No. 2, 4, 6, 7, 10, 11, 12, 13, 14, 15, 16, 34, 36, and 37.

PRESENTED BY:



ERIC GARCETTI
Councilman, 13th District

SECONDED BY:



April 29, 2011
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ORDINANCE NO. _____

An ordinance amending Chapters 10 and 11 of Division 4 of the Los Angeles Administrative Code to provide for the payment of additional contributions by certain members of the Los Angeles City Employees' Retirement System in exchange for the vesting of certain subsidy benefits and to make other related technical changes.

THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:

Section 1. Section 4.1031.2 of Chapter 10 of Division 4 of the Los Angeles Administrative Code is amended in its entirety to read as follows:

Sec. 4.1031.2. Contribution Rate for Members.

(a) Beginning November 8, 2009, all members of the Los Angeles City Employees' Retirement System (Retirement System) shall contribute by salary deduction to the Retirement Fund at the rate of 6% of the member's compensation earnable, of which 0.5% shall be the survivor contribution portion.

(b) Pursuant to the provisions of Section 4.1033(a)(9) of this Code, commencing on July 1, 2011, and ending on June 30, 2026 or when the ERIP Cost Obligation is fully paid, whichever comes first, in lieu of contributing as provided in Subsection (a) above, all members of the Retirement System shall contribute by salary deduction to the Retirement Fund at the rate of 7% of the amount of the member's compensation earnable, of which 0.5% shall be the survivor contribution portion.

(c) In addition to the contributions required pursuant to Subsection (a) or (b) herein, as applicable, each member subject to specific Memoranda of Understanding (MOUs) that so provide shall contribute by salary deduction to the Retirement Fund an additional 2% of the member's compensation earnable retroactive to April 24, 2011, and ongoing; further, each such member shall contribute by salary deduction to the Retirement Fund an additional 2% of the member's compensation earnable commencing on July 1, 2011, and ongoing, for a total additional contribution pursuant to this Subsection of 4% effective July 1, 2011, and ongoing. In consideration for such additional contributions, each member who makes the additional contributions under this Subsection shall receive the benefit set forth in Section 4.1103.4 of this Code. The City Administrative Officer shall notify the Retirement System and the Controller of the specific MOUs which require members to contribute as provided herein. Because the benefit conferred by Section 4.1103.4 of this Code is a vested benefit, a member who is employed in a position subject to one of the specified MOUs shall continue to make the additional contributions to the Retirement Fund as provided in this Subsection so long as the member continues to be employed in a position subject to one of the specified MOUs, and shall continue to make those payments even if the member subsequently transfers to a position subject to an MOU that does not provide for the payment of the additional contributions.

(d) All contributions paid pursuant to this Section shall be deposited in each member's individual account as provided in Charter Section 1162. The City shall pick up all employee contributions payable by salary deduction pursuant to this Section as provided in Sections 4.1500 through 4.1504 of this Code.

Sec. 2. A new Section 4.1103.4 is added to Chapter 11 of Division 4 of the Los Angeles Administrative Code to read as follows:

Sec. 4.1103.4. Vested Right to Maximum Medical Plan Premium Subsidy Increases.

Notwithstanding the provisions of Section 4.1103.1, any retiree who at any time prior to retirement made additional contributions to the Retirement Fund as provided in Section 4.1031.2(c) of this Code shall obtain a vested right to, and the Board by resolution shall set, the increase in the maximum medical plan subsidy provided to such members at an amount not less than the dollar increase in the Kaiser two-party non-Medicare Part A and Part B premium.

Sec. 3. Amend Section 4.1103.2 and Subsection (c) of Section 4.1106 so that every reference therein to "Section 4.1103.1" is replaced with "Section 4.1103.1 or Section 4.1103.4, as applicable."

Sec. 4. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Maim Street entrance to Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that the foregoing ordinance was passed by the Council of the City of Los Angeles, **by a vote of not less than two-thirds** of all its members, at its meeting of _____.

JUNE LAGMAY, City Clerk

By _____
Deputy

Approved _____

Mayor

Approved as to Form and Legality

CARMEN A. TRUTANICH, City Attorney

By  _____
ALAN L. MANNING
Assistant City Attorney

Date April 27, 2011

Council File No. _____

MOTION

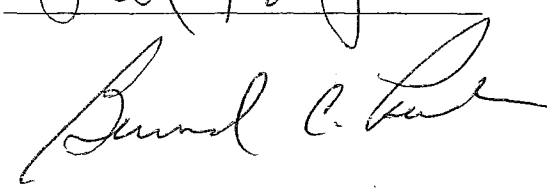
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Council File 09-2624. The City Administrative Officer (CAO) has reached a tentative agreement with several bargaining units represented by the Coalition of Los Angeles City Unions (Coalition) to amend their 2007-13 Memoranda of Understanding. On April 27, 2011, Coalition representatives formally notified the CAO that 14 of its 18 bargaining units ratified the tentative agreement terms and conditions. The agreement includes a 4% employee contribution for members of the Los Angeles City Employees' Retirement System (LACERS). An ordinance is required to enact the contribution to LACERS.

I FURTHER MOVE that the Council approves the enclosed amended ordinance regarding the implementation of a 4% retiree healthcare contribution for members represented by the following bargaining units: MOUs No. 2, 4, 6, 7, 10, 11, 12, 13, 14, 15, 16, 34, 36, and 37.

PRESENTED BY: 

SECONDED BY: 



April 29, 2011

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