Contra Costa County

To: **Board of Supervisors** 

From: David Twa, County Administrator

Date: November 17, 2015

Subject: Implementing Two Percent Cost of Living Adjustment to Retirement Benefit for California Nurses

Association

## **RECOMMENDATION(S):**

ADOPT Resolution No. 2015/444 making Government Code section 31870 (Two Percent Cost of Living Adjustment to Retirement Benefit) applicable to employees represented by the California Nurses Association, who become New Members of CCCERA on or after January 1, 2016, in the PEPRA Retirement Tier.

## **FISCAL IMPACT:**

Implementation of a change in the Cost of Living Adjustment (COLA) to the pension benefit for employees represented by the California Nurses' Association, who become New Members of CCCERA on and after January 1, 2016, in the PEPRA Retirement Tier is intended to result in long term savings for both the employees and the County.

## **BACKGROUND:**

Finance Director (925) 335-1023

In the Memorandum of Understanding ratified by the California Nurses' Association and approved by the Board of Supervisors on November 17, 2015, the parties agreed that employees represented by the California Nurses' Association who become New Members of CCCERA on or after January 1, 2016, in the PEPRA Retirement

✓ APPROVE	OTHER
	☐ RECOMMENDATION OF BOARD COMMITTEE
Action of Board On: 11/17/2015 A Clerks Notes:	PPROVED AS RECOMMENDED    OTHER
VOTE OF SUPERVISORS	
AYE: John Gioia, District I Supervisor Candace Andersen, District II Supervisor Mary N. Piepho, District III Supervisor Karen Mitchoff, District IV Supervisor Federal D. Glover, District V Supervisor	I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.  ATTESTED: November 17, 2015  David Twa, County Administrator and Clerk of the Board of Supervisors
Contact: Lisa Driscoll, County	Ry: Juna McHuan, Danuty

By: June McHuen, Deputy

# **BACKGROUND: (CONT'D)**

Tier will have up to a two percent banked COLA to their retirement benefit (Government Code, § 31870), rather than up to a three percent banked COLA (Government Code, § 31870.1) applicable to certain current members of CCCERA. Employees hired in 2015 on or after December 1, 2015, in classifications eligible for membership in CCCERA, become members of CCCERA on or after January 1, 2016. (Government Code, § 31552.)

This change became effective earlier for the Public Health Unit, which was previously part of Local 1 and recently, due to a unit modification, became represented by the California Nurses' Association. The Board of Supervisors adopted Resolution No. 2014/116 on April 22, 2014, which implemented a two percent (2%) retirement allowance for persons in the Public Health Unit who enter County employment on or after June 30, 2014.

To implement the Memorandum of Understanding with the California Nurses' Association, it is necessary to adopt the resolution to establish the change to the COLA for future employees in the PEPRA Tier. (Government Code, § 31483.)

### CONSEQUENCE OF NEGATIVE ACTION:

Delay in implementation of newly negotiated two percent cost of living adjustment to retirement benefit.

#### **ATTACHMENTS**

Resolution No. 2015/444