## UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF OHIO WESTERN DIVISION

SUNYAK, et al., : Case Nos. 1:11-cv-445

1:12-cv-329

v. : Judge Michael R. Barrett

CITY OF CINCINNATI, et al.,

(City of Cincinnati Pension Litigation)

#### **CONSENT DECREE**

Pursuant to the Court's authorization and approval as demonstrated by its signature below, the City of Cincinnati ("City"), the Cincinnati Retirement System ("CRS"), John Cranley ("Mayor"), and City Manager Harry Black ("City Manager"), the Vice Mayor, the Members of City Council, and the Board of Trustees of the CRS (collectively, the "Defendants"), and Nick Sunyak, Jeffery Harmon, Jill Algeyer, Kim Kappel, Waleia Jackson, Finley Jones, and Richard Ganulin, on behalf of themselves and the Current Employees Class they represent, and Thomas A. Gamel, Sr., Paul Smith, Mark K. Jones, Dennis Davis, Ely Ryder, and Ann DeGroot, on behalf of themselves and the Retirees Class they represent, and the American Federation of State and Municipal Employees Ohio council No. ("AFSCME"), collectively "the Parties," consistent with and in furtherance of implementing the Collaborative Settlement Agreement ("Settlement Agreement" or "Settlement") approved by the Court on October 5, 2015 (Doc. No. 100) which completely resolves and settles the City of Cincinnati Pension Litigation, do hereby agree, stipulate and consent to following:

1. This Consent Decree adopts and incorporates by reference in its entirety the Settlement Agreement, including all defined terms therein.

- 2. This Consent Decree establishes that the Court shall retain exclusive jurisdiction to oversee, enforce, interpret, implement, and administer the Settlement Agreement and this Consent Decree through the pending consolidated actions, *Sunyak v. City of Cincinnati*, Case No. 1:11-cv-445 (S.D. Ohio) and *Harmon v. City of Cincinnati*, Case No. 1:12-cv-329 (S.D. Ohio).
- 3. This Consent Decree establishes that each of the Parties expressly and irrevocably submits to the jurisdiction of the Court in connection with any proceedings related to the oversight, enforcement, interpretation, implementation, or administration of the Settlement Agreement or this Consent Decree until Termination.
- 4. This Consent Decree establishes that AFSCME shall have standing to enforce the terms of the Settlement Agreement and this Consent Decree.
- 5. The Parties shall, at all times prior to Termination, work together in good faith to effectively and efficiently implement all the terms of the Settlement and this Consent Decree. Further, each Party recognizes that they have an obligation to cooperate and use their best efforts in this regard and to take all reasonable steps necessary to effectuate the terms of the Settlement. These terms include, but are not limited to:
  - a. The creation of the CRS Pension Trust Fund and the 115 Trust Fund
     (Collaborative Settlement Agreement, at p. 21)
  - b. Transfer funds to the 115 Trust Fund (Id. at p. 22)
  - c. CRS COLA Calculation (Id. at p. 22)
  - d. Current Employees Class COLA Delay Period (Id. at p.23)
  - e. Retirees Class COLA Suspension Period (Id. at 24)
  - f. COLA Poverty Exception (Id.)

- g. Current Employees Class Retirement Eligibility (Id. at p. 25)
- h. Retirement Benefit Multiplier Calculation (Id.)
- i. Final Average Salary Calculation (Id.)
- j. Early Retirement Eligibility (Id. at p. 26)
- k. Annuity Adjustments (Id.)
- 1. Employee Contributions (Id. at p. 27)
- m. The Group C Settlement Payments (Id.)
- n. The City's Annual Contribution to the CRS Pension Trust Fund (Id. at p. 28)
- o. Additional contributions to the CRS Pension Trust Fund (Id.)
- p. Deferred Retirement Option Plan ("DROP") (Id. at p. 29)
- q. Retirees Class Healthcare Benefits (Id. at p. 30)
- r. Current Employees Class Retirement Healthcare Benefits (Id.)
- s. Current Employees Class Retirement Healthcare Premium Percentages (Id.)
- t. Healthcare Modifications for Retirees (Id. at p. 32)
- u. Healthcare Funding Obligation (Id.)
- v. Retirees Class Death Benefit (Id.)
- w. Assumed Rate of Return (Id.)
- x. Pension Board Reforms (Id. at p. 33)
- y. Disgorgement provision (Id. at p. 35)
- z. Actuarial Confirmation provision (Id.at p. 36)
- aa. Reopeners provision (Id. at p. 37)
- bb. Enforcement Reporting (Id. at p. 50)
- cc. Compliance Reviews (Id. at p. 52)

dd. Recordkeeping (Id. at p. 53)

- 6. In order to effectuate the implementation of Section 20 (iii) of the Settlement Agreement, the Court hereby (a) determines the City is liable for the remaining liability associated with the City's Early Retirement Incentive Program ("ERIP") in the current estimated amount of \$39,100,000, and (b) orders the City to issue bonds pursuant to Ohio Revised Code § 133.14(A) in an amount equal to or greater than such remaining liability, as finally determined by the City and its bond counsel. The proceeds of said bonds are to be deposited into the CRS Pension Trust in satisfaction of the aforementioned ERIP liability pursuant to the terms of the Settlement Agreement.
  - 7. This Consent Decree shall be governed by and interpreted according to Ohio law.
- 8. Any action to enforce this Consent Decree (including enforcing any re-opener provision) shall be commenced and maintained only in the United States District Court for the Southern District of Ohio.
- 9. This Consent Decree may be signed in counterparts, each of which shall constitute a duplicate original. Electronic or facsimile transmitted copies of the signatures shall constitute a duplicate original.
- 10. The provisions of this Consent Decree, and all exhibits and documents relating thereto shall be binding upon and inure to the benefit of the respective successors and assigns of the Plaintiffs, members of the Classes, Class Counsel, and Defendants.
- 11. Additional Current Employees Class Representatives, additional Current Retirees Class Representatives, or additional counsel for any of the Parties may be approved by the Court as necessary due to health, availability, or other concerns or issues that may arise prior to Termination.

- Agreement, the Parties shall regularly conduct Compliance Reviews to ensure that they have implemented and continue to implement all measures required by this Agreement. Each Party shall designate counsel to serve as liaisons to the Court for compliance purposes. This counsel shall serve as a liaison between the City and the Court, and shall assist with the City's compliance with this Agreement. The City will provide access to such documents, records and other information reasonably needed to ensure compliance with the terms set forth in the Settlement Agreement and this Consent Decree.
- 13. Beginning six (6) months after the Effective Date, and every six (6) months thereafter until Termination (unless a different time period is ordered by the Court), the Parties shall file a joint status report with the Court, including any supporting documentation, delineating all steps taken during the reporting period to comply with the terms of the Settlement Agreement. These reports shall track the Parties' attainment of the requirements and goals contained in the Settlement Agreement, identify any areas of alleged non-compliance, instruct the Court as to how the Parties intend to remedy any areas of alleged non-compliance and, if necessary, request that the Court issue orders on compliance. If the Court issues any such order to ensure compliance with this Agreement and the related Consent Decree, the Party or Parties subject to the Order shall have 60 days from receipt of such Order to cure the asserted failure. On or before the termination of this 60 day period, the Party or Parties subject to the Order shall file an additional report with the Court documenting efforts taken to comply with the Court's Order.
- 14. For all periods of time until Termination of the Settlement Agreement, and subject to record retention requirements and procedures imposed by federal, state or local law, or

any relevant collective bargaining agreement, the Parties shall maintain all records documenting

compliance with the Settlement Agreement and all documents required by or developed pursuant

to the Settlement Agreement.

15. No Party shall retaliate in any manner against any other Party, including any

member of the Classes, for their participation in the this Settlement or for their participation in

any actions related to the enforcement or reporting or recordkeeping provisions of this

Settlement and this Consent Decree.

16. Any notice, request, instruction, Order, or other document to be given hereunder

by any Party hereto to any other Party (other than class notification) shall be in writing and

delivered personally or sent registered or certified mail, postage prepaid, to the Parties as

follows:

To: City of Cincinnati

City Manager Harry Black

with a copy to City Solicitor Paula Boggs Muething

City Hall

801 Plum Street

Cincinnati, OH 45202

Steven P. Goodin

John B. Pinney

Graydon Head & Ritchey LLP

1900 Fifth Third Center

511 Walnut Street

Cincinnati, OH 45202

To: Current Employees Class Counsel

Christian A. Jenkins

Minnillo & Jenkins Co., LPA

2712 Observatory Ave.

Cincinnati, OH 45202

Marc D. Mezibov

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401 E. Court Street, Suite 600 Cincinnati, OH 45202

Robert D. Klausner Klausner Kaufman Jensen & Levinson 10059 Northwest 1st Court Plantation, FL 33324

Jeffrey S. Goldenberg Goldenberg Schneider, LPA One West Fourth Street, 18th Floor Cincinnati, OH 45202

#### To: Retirees Class Counsel

Robert A. Pitcairn, Jr. James F. McCarthy, III Katz Teller Brant & Hild 255 East Fifth Street, 24th Floor Cincinnati, OH 45202-4724

### To: AFSCME Council No. 8

R. Sean Grayson 6800 N. High Street Worthington, Ohio 43085-2512

- 17. This Consent Decree is a public document and shall be posted on appropriate websites maintained by the City and the CRS.
- 18. Unless otherwise provided herein, this Consent Decree may only be modified in writing and with consent of the Parties, subject to the approval of the Court.
  - 19. This Consent Decree will terminate 30 years after the Effective Date.

Nick Sunyak	10/6/15 Date
Jeffrey Harmon	Date
Jill Allgeyer	Date
Kim Kappel	Date
Waleia Jackson	Date
Richard Ganulin	Date
Finley Jones	Date

Nick Sunyak	Date
Jeffery Harmon	10-5-15 Date
Marshall Jill Arligeyer	10/5/15 Date
Kim Kappel	Date
Waleia Jackson	Date
Richard Ganulin	Date
Finley Jones	10/7/2015 Date

Nick Sunyak	Date
Jeffrey Harmon	Date
Jill Allgeyer	Date
Kim Kappel Kappel	/D/9/201 Date
Waleia Jackson	Date
Richard Ganulin	Date
Finley Jones	Date

Nick Sunyak	Date
Jeffrey Harmon	Date
Jill Allgeyer	Date
Kim Kappel	Date
Waleia Jackson	<u>10-9-2015</u> Date
Richard Ganulin	Date
Finley Jones	Date

## Retirees Plaintiffs and Putative Class Representatives

Thomas a. Samed, In.	10-9-15
Thomas A. Gamel, Sr.,	Date
Done Cost	10-7-15
Donald C. Beets	Date
Paul Smith	<u>10-8-15</u> Date
Mark K. Jones	Date
Dennis Davis	10-16-15 Date
ElyRyder ElyRyder	10-16-15 Date
726 3 0	10-13-15

Date

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The below Parties have read and agree to the terms of this Consent Decree:

## Retirees Plaintiffs and Putative Class Representatives

Thomas A. Gamel, Sr.,	Date
Donald C. Beets	Date
Paul Smith	Date
Mark K. Jones	10/15/2015
Dennis Davis	Date
Ely Ryder	Date
Aun DaGroot	Doto

The below Parties have read and agree to the terms of this Consent Decree and have been duly authorized and empowered to execute the Settlement Agreement and this Consent Decree as binding and lawful obligations of the Defendants:

#### **Defendants**

10/5/15 Date

City Manager of Cincinnati, on behalf of City Defendants

City Solicitor of Cincinnati

As indicated below by their signatures, Counsel for the Parties affirm that they have read this Consent Decree, have conferred with their respective clients about the same who support this Consent Decree, agree to the provisions contained herein and shall be bound hereby:

Steven P. Goodin John B. Pinney

GRAYDON HEAD & RITCHEY LLP

1900 Fifth Third Center

511 Walnut Street

Cincinnati, OH 45202-3157

Of Counsel for the City Solicitor

Marc D. Mezibov	Data
Marc D. Mezibov	Date

Susan M. Butler

401 East Court Street, Suite 600

Cincinnati, OH 45202

Counsel for Current Employees Plaintiffs and Putative Current Employees Class

Christian A. Jenkins Date

Minnillo & Jenkins, Co. LPA

2712 Observatory Ave. Cincinnati, OH 45202

Counsel for Current Employees Plaintiffs and Putative Current Employees Class

Jeffrey S. Goldenberg Date

Goldenberg Schneider, LPA
One West Fourth Street, 18th Floor

Cincinnati, OH 45202-2012

Counsel for Current Employees Plaintiffs and Putative Current Employees Class

As indicated below by their signatures, Counsel for the Parties affirm that they have read this Consent Decree, have conferred with their respective clients about the same who support this Consent Decree, agree to the provisions contained herein and shall be bound hereby:

Steven P. Goodin	Date
John B. Pinney	
GRAYDON HEAD & RITCHEY LLP	
1900 Fifth Third Center	
511 Walput Street	
Cincinnati, OH 45202/3157	
Of Counsel for the City Solicitor	
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Marc D. Mezibov	Date
Susan M. Butler	,
401 East Court Street, Suite 600	
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Christian A. Jenkins	Date
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Jeffrey S. Goldenberg	Date
Goldenberg Schneider, LPA	•
One West Fourth Street, 18th Floor	
Cincinnati OH 45202-2012	

Counsel for Current Employees Plaintiffs and Putative Current Employees Class

As indicated below by their signatures, Counsel for the Parties affirm that they have read this Consent Decree, have conferred with their respective clients about the same who support this Consent Decree, agree to the provisions contained herein and shall be bound hereby:

Date

Steven P. Goodin
John B. Pinney
GRAYDON HEAD & RITCHEY LLP
1900 Fifth Third Center
511 Walnut Street
Cincinnati, OH 45202-3157
Of Counsel for the City Solicitor

Marc D. Mezibov Date

Susan M. Butler

401 East Court Street, Suite 600

Cincinnati, OH 45202

Counsel for Current Employees Plaintiffs and Putative Current Employees Class

Christian Affenkins

Minnillo & Jenkins, Co. LPA

2712 Observatory Ave.

Cincinnati OH 45202

Counsel for Carrent Employees Plaintiffs and Putative Current Employees Class

Jeffrey S. 26Idenberg

Goldenberg Schneider, LPA

One West Fourth Street, 18th Floor

Cincinnati, OH 45202-2012

Counsel for Current Employees Plaintiffs and Putative Current Employees Class

Robert D. Klausner Klausner Kaufman Jensen & Levinson 7080 NW 4 <sup>th</sup> Street Plantation, FL 33317 Counsel for Current Employees Plain	Date  10/5/15  Date  on  attiffs and Putative Current Employees Class
Robert A. Pitcairn, Jr. Katz, Teller, Brant & Hild 255 East Fifth Street, Suite 2400 Cincinnati, OH 45202 Counsel for Retirees Plaintiffs and Pu	Date  Itative Retirees Class
R. Sean Grayson 6800 North High Street Worthington, OH 43085-2512 General Counsel for Ohio Council 8.	Date AFSCME

Robert D. Klausner	Date
Klausner Kaufman Jensen & Levin	ison
7080 NW 4 <sup>th</sup> Street	
Plantation, FL 33317	
Counsel for Current Employees Pla	aintiffs and Putative Current Employees Class
,	
Robert A. Pitcairn, Jr.	Date
Katz, Teller, Brant & Hild	
255 East Fifth Street, Suite 2400	
Cincinnati, OH 45202	
Counsel for Retirees Plaintiffs and	Putative Retirees Class
K. Sam Stay	pal October 7,2015
R. Sean Grayson	Date
6800 North High Street	<b>7</b> 00
Worthington, OH 43085-2512	,
wormington, Ort 43003-2312	

General Counsel for Ohio Council 8, AFSCME

This Consent Decree governing the resolution of the Cincinnati Pension Litigation is authorized and approved this May of November , 2015.

Judge Michael R. Barrett