

ORDINANCE NO. 2022-

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA MESA
AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE
CITY COUNCIL OF THE CITY OF LA MESA AND THE BOARD OF
ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES'
RETIREMENT SYSTEM

THE CITY COUNCIL OF THE CITY OF LA MESA DOES ORDAIN AS FOLLOWS:

SECTION 1: That an amendment to the contract between the City Council of the City of La Mesa and the Board of Administration, California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked Exhibit A, and by such reference made a part hereof as though herein set out in full.

SECTION 2: The Mayor of the City Council of the City of La Mesa is hereby authorized, empowered, and directed to execute said amendment for and on behalf of said Agency.

SECTION 3: This ordinance shall be effective 30 days after its adoption and the City Clerk shall certify to the adoption of this Ordinance and cause the same to be published at least once in the *Daily Transcript* within 15 days of its adoption.

INTRODUCED AND READ at a Regular meeting of the City Council of the City of La Mesa, California, held the 10th day of May 2022, and thereafter PASSED AND ADOPTED at a Regular meeting of said City Council held the 14th day of June 2022, by the following vote, to wit:

AYES:

NOES:

ABSENT:

APPROVED:

MARK ARAPOSTATHIS, Mayor

ATTEST:

MEGAN WIEGELMAN, CMC, City Clerk

CERTIFICATE OF CITY CLERK

I, MEGAN WIEGELMAN, City Clerk of the City of La Mesa, California, do hereby certify the foregoing to be a true and correct copy of Ordinance No. 2022-_____, duly passed and adopted by the City Council of said City on the date and by the vote therein recited and that the same has been duly published according to law.

MEGAN WIEGELMAN, CMC, City Clerk

(SEAL OF CITY)



EXHIBIT A

California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
City Council
City of La Mesa

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 May 1, 1948, and witnessed April 28, 1948, and as amended effective January 1, 1957, November 1, 1961, March 1, 1969, June 29, 1973, February 1, 1974, February 16, 1979, June 22, 1979, September 9, 1983, October 2, 1987, February 17, 1989, April 13, 1990, December 18, 1992, January 13, 1995, December 16, 1995, August 22, 1996, November 26, 1999, September 1, 2000, September 12, 2003, January 13, 2006, January 21, 2011, December 9, 2011, February 22, 2019, and July 12, 2019, which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 18 are hereby stricken from said contract as executed effective July 12, 2019, and hereby replaced by the following paragraphs numbered 1 through 18 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 60 for classic local miscellaneous members entering membership in the miscellaneous classification on or prior to January 21, 2011, age 55 for classic local miscellaneous members entering membership for the first time in the miscellaneous classification after January 21, 2011, age 62 for new local miscellaneous members, age 50 for classic local police members entering membership in the police classification on or prior to January 21, 2011, and for those classic local fire members entering membership in the fire classification on or prior to December 9, 2011, age 55 for classic local police members entering membership for the first time in the police classification after January 21, 2011, and for those classic local fire members entering membership for the first time in the fire classification after December 9, 2011, and age 57 for new local safety members.

2. Public Agency shall participate in the Public Employees' Retirement System from and after May 1, 1948, 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 (herein referred to as local safety members);
 - b. Local Police Officers (herein referred to as local safety members);
 - c. Employees other than local safety members (herein referred to as local miscellaneous 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:

NO ADDITIONAL EXCLUSIONS

6. 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 January 13, 2006, shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Supplemental to Federal Social Security).
7. 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 January 13, 2006, and not entering membership for the first time in the miscellaneous classification after January 21, 2011, shall be determined in accordance with Section 21354.3 of said Retirement Law (3% at age 60 Supplemental to Federal Social Security).
8. 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 in the miscellaneous classification after January 21, 2011, shall be determined in accordance with Section 21354.4 of said Retirement Law (2.5% at age 55 Supplemental to Federal Social Security).
9. 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 Supplemental to Federal Social Security).
10. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local police member entering membership in the police classification on or prior to January 21, 2011, and those classic local fire members entering membership in the fire classification on or prior to December 9, 2011, shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50 Full).
11. The percentage of final compensation to be provided for each year of credited current service as a classic local police member entering membership for the first time in the police classification after January 21, 2011, and those classic local fire members entering membership for the first time in the fire classification after December 9, 2011, shall be determined in accordance with Section 21363.1 of said Retirement Law (3% at age 55 Full).

12. 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).
13. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Sections 21624 and 21626 (Post-Retirement Survivor Allowance) for local safety members only.
 - b. Section 21222.1 (One-Time 5% Increase - 1970). Legislation repealed said Section effective January 1, 1980.
 - c. Section 20614, Statutes of 1978, (Reduction of Normal Member Contribution Rate). From February 16, 1979, and until September 9, 1983, the normal local miscellaneous member contribution rate shall be 3.5%. Legislation repealed said Section effective September 29, 1980.
 - d. Section 20042 (One-Year Final Compensation) for classic members only.
 - e. Section 20690, Statutes of 1980, (To Prospectively Revoke Section 20614, Statutes of 1978) for local miscellaneous members only.
 - f. Section 21573 (Third Level of 1959 Survivor Benefits) for local safety members only.
 - g. Section 20965 (Credit for Unused Sick Leave) for local safety members only.
 - h. Section 21389 (Second Opportunity to Elect 1959 Survivor Benefits) for local fire members only. Legislation repealed said Section effective September 27, 1979.
 - i. Section 20903 (Two Years Additional Service Credit).
 - j. Section 21024 (Military Service Credit as Public Service).
 - k. 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).
 - l. Section 21027 (Military Service Credit for Retired Persons).

- m. Section 20475 (Different Level of Benefits): Section 21354.4 (2.5% @ 55 Supplemental formula) is applicable to classic local miscellaneous members entering membership for the first time with this agency in the miscellaneous classification after January 21, 2011.

Section 21363.1 (3% @ 55 Full formula) is applicable to classic local police members entering membership for the first time with this agency in the police classification after January 21, 2011.

Section 21363.1 (3% @ 55 Full formula) is applicable to classic local fire members entering membership for the first time with this agency in the fire classification after December 9, 2011.

- n. Section 20516 (Employees Sharing Additional Cost):

From and after February 22, 2019, and until July 12, 2019, .5% for classic local miscellaneous members in the Unrepresented Miscellaneous Management group.

From and after February 22, 2019, and until July 12, 2019, .5% for classic local miscellaneous members in the Unrepresented Miscellaneous Confidential group.

From and after February 22, 2019, and until July 12, 2019, .5% for classic local miscellaneous members in the La Mesa City Employees' Association.

From and after February 22, 2019, and until July 12, 2019, .5% for classic local police members in the Unrepresented Safety Police Management group.

From and after February 22, 2019, and until July 12, 2019, .5% for classic local fire members in the Unrepresented Safety Fire Management group.

From and after July 12, 2019, 1% for classic local miscellaneous members in the Unrepresented Miscellaneous Management group.

From and after July 12, 2019, 1% for classic local miscellaneous members in the Unrepresented Miscellaneous Confidential group.

From and after July 12, 2019, and until the effective date of this amendment to contract, 1% for classic local miscellaneous members in the La Mesa City Employees' Association.

From and after July 12, 2019, 1% for classic local police members in the Unrepresented Safety Police Management group.

From and after July 12, 2019, 1% for classic local fire members in the Unrepresented Safety Fire Management group.

From and after the effective date of this amendment to contract, 1.5% for classic local miscellaneous members in the La Mesa City Employees' Association.

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.

14. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on February 16, 1979. 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.
15. 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.
16. Public Agency shall also contribute to said Retirement System as follows:
 - a. 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.
 - b. 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.
17. 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.

18. 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 LA MESA

BY _____
MELODY BENAVIDES, CHIEF
PENSION CONTRACTS AND PREFUNDING
PROGRAMS DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

Witness Date

Attest:

Clerk