

ORDINANCE NO. 89-084

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF November 14, 1989

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

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

That an amendment to the Contract between the City Council of the City of Sacramento 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 of Sacramento is hereby authorized, empowered, and directed to execute said amendment for and on behalf of said Agency.

SECTION 3.

This ordinance shall take effect thirty (30) days after the date of its adoption.

DATE PASSED FOR PUBLICATION: SEP 05 1989

DATE ENACTED: NOV 14 1989

DATE EFFECTIVE: DEC 14 1989

Arne Rudin
MAYOR

ATTEST:

Talicia A. Burrows
CITY CLERK

FOR CITY CLERK USE ONLY

ORDINANCE NO.: 89-084
DATE ADOPTED: NOV 14 1989

**AMENDMENT TO CONTRACT
BETWEEN THE
BOARD OF ADMINISTRATION
OF THE
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
AND THE
CITY COUNCIL
OF THE
CITY OF SACRAMENTO**

The Board of Administration, Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of above public agency, hereinafter referred to as Public Agency, having entered into a contract effective January 29, 1977, and witnessed January 25, 1977, and as amended effective June 1, 1978 and March 17, 1988, which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 11 are hereby stricken from said contract as executed effective March 17, 1988, and hereby replaced by the following paragraphs numbered 1 through 14 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 local miscellaneous members, age 50 for those local safety members entering membership in this System on or prior to the effective date of this amendment to contract and age 55 for those local safety members entering membership in this System after the effective date of this amendment to contract.
 2. Public Agency shall participate in the Public Employees' Retirement System from and after January 29, 1977 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. 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).

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4. 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:
 - a. ALL MISCELLANEOUS EMPLOYEES WHO WERE IN EMPLOYMENT PRIOR TO JANUARY 29, 1977; AND
 - b. ALL PERSONS WHO ARE PARTICIPANTS (AS THAT TERM IS DEFINED IN THE ACT HEREINAFTER REFERRED TO AND ANY REGULATIONS PROMULGATED THEREUNDER) UNDER THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT OF 1973, AS AMENDED.
5. Assets heretofore accumulated with respect to members in the local retirement system shall be transferred to the Public Employees' Retirement System upon the effective date of this amendment to contract and applied against the liability for prior service incurred hereunder. That portion of the assets so transferred which represent the accumulated contributions (plus interest thereupon) required of the employees under said local system shall be credited to the individual membership account of each such employee under the Public Employees' Retirement System.
6. The percentage of final compensation to be provided for local miscellaneous members for each year of credited prior service is zero and the percentage of final compensation to be provided for each year of credited current service is 100, and determined in accordance with Section 21251.13, subject to the reduction provided therein for service on or after January 29, 1977, for members whose service has been included in Federal Social Security (2% at age 60 Full and Modified).
7. The percentage of final compensation to be provided for each year of credited prior service is zero and the percentage to be provided for each year of credited current service is 100, and determined in accordance with Section 21252.01 of said Retirement Law (2% at age 50 Full) for local safety members entering membership in this System on or after January 29, 1977 and prior to the effective date of this amendment to contract.
8. The percentage of final compensation to be provided for each year of credited prior and current service shall be determined in accordance with Section 21252.01 of said Retirement Law (2% at age 50 Full) for local safety members who transfer from the local system and enter membership in this System on the effective date of this amendment to contract.
9. The percentage of final compensation to be provided for each year of credited prior and current service for local safety members entering membership in this System after the effective date of this amendment to contract, shall be determined in accordance with Section 21252.02 of said Retirement Law (2.5% at age 55).

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10. The following additional provisions of the Public Employees' Retirement Law, which apply only upon election of a contracting agency, shall apply to the Public Agency and its employees:
 - a. Sections 21263/21263.1 (Post-Retirement Survivor Allowance).
 - b. Sections 21022/21022.1 (Industrial Disability Retirement For Local Miscellaneous Members).
 - c. Section 20930.11 (Public Service Credit for Periods of Lay-Off) for local fire members only.
 - d. Section 21230 (3% Cost-of-Living Allowance) limited pursuant to Section 21252.023(a) for local safety members who transfer from the local system, enter membership in this System on the effective date of this amendment to contract and retire after that date.
 - e. Section 20938 (Cancellation of Payment for Optional Service Credit Upon Retirement for Industrial Disability) limited pursuant to Section 20938.1 for local safety members who transfer from the local system and enter membership in this System on the effective date of this amendment to contract.
 - f. Section 20607(b) (Member Contribution Rate of 9% of Compensation) for local safety members entering membership in this System after the effective date of this amendment to contract.
 - g. Section 21361.5 (Local System Service Credit) for local safety members who transfer from the local system and enter membership in this System on the effective date of this amendment to contract.
11. Public Agency, in accordance with Government Code Section 20759, shall not be considered an "employer" for purposes of the Public Employees' Retirement Law. Contributions of the Public Agency shall be fixed and determined as provided in Government Code Section 20759, and such contributions hereafter made shall be held by the Board as provided in Government Code Section 20759.
12. Public Agency shall contribute to said Retirement System as follows:
 - a. With respect to local miscellaneous members, the agency shall contribute the following percentages of salaries earned as members of said Retirement System:
 - (1) 6.020 percent until June 30, 2000 on account of the liability for current service benefits. (Subject to annual change.)

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b. With respect to local safety members, the agency shall contribute the following percentages of salaries earned as members of said Retirement System:

(1) 14.958 percent until June 30, 2000 on account of the liability for current service benefits. (Subject to annual change.)

c. 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.

d. 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.

13. 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.

14. 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 30th day of December, 19 89.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL
OF THE
CITY OF SACRAMENTO

BY _____
CHIEF, CONTRACT SERVICES DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
Presiding Officer

Witness Date

Approved as to form:

Attest:

Legal Office Date

Clerk