



Meeting Date: 12/4/07

| ACTION   | TYPE OF ITEM   |
|--|--|
| <input type="checkbox"/> Approved Recommendation | <input checked="" type="checkbox"/> Info/Consent       |
| <input type="checkbox"/> Ord. No(s). _____       | <input type="checkbox"/> Report                        |
| <input type="checkbox"/> Res. No(s). _____       | <input type="checkbox"/> Public Hearing (Info/consent) |
| <input type="checkbox"/> Other _____             | <input type="checkbox"/> Other _____                   |

Prepared By: Lino Corona *LC* Agenda Item No. I-12

Reviewed By: City Manager *SW* City Attorney *JA* Finance *SW* Other (Specify) \_\_\_\_\_

**DATE:** November 27, 2007

**TO:** City Council

**FROM:** Lino Corona, Interim Human Resources Director  
Human Resources Department

**SUBJECT:** Amendment to the Public Employees' Retirement System (PERS) Contract

**RECOMMENDATION**

That City Council:

1. Adopt a resolution of intention to amend the City's contract with PERS for employees represented by the International Association of Firefighters (IAFF) to include Government Code sections 20434 and 20434.5 "Local Fire Fighter" inclusions.
2. Approve the first reading by title only and subsequent adoption of an ordinance amending the City's contract with PERS for employees represented by the IAFF to include benefits of Government Code sections 20434 and 20434.5 "Local Fire Fighter" inclusions.
3. Authorize the City Manager to execute the documents necessary to implement the amendments to the contract with PERS, as provided in the resolution and ordinance.

**DISCUSSION**

Currently, all public safety fire employees represented by IAFF are covered under a 3% at age 50 retirement plan from PERS. There is a provision contained in the MOU with IAFF, ratified by the City Council on September 30, 2003 that included the classification of Fire Environmental Specialist as a fire safety classification.

Staff has discovered that the classification of Fire Environmental Specialist was not included in the original contract with PERS as a safety member classification. Upon this discovery, staff initiated discussions with PERS to implement an appropriate amendment.

In order to comply with PERS policies and procedures, City Council is required to adopt a resolution of

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PERS Contract Amendment  
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intention and an ordinance amending the City's contract with PERS to correct this oversight.

### **FINANCIAL IMPACT**

There will be no financial impact to the City resulting from the adoption of the included classifications since the City had been reporting base wages of affected employees as safety upon hire.

LC/SP

Attachment #1 - Ordinance Authorizing Amendment to Contract with PERS Safety Fire Plan  
#2 - Resolution of Intention to Amend Contract with PERS Safety Fire Plan

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CITY COUNCIL OF THE CITY OF OXNARD

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF OXNARD AUTHORIZIING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY OF OXNARD AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM FOR PUBLIC SAFETY FIRE EMPLOYEES

WHEREAS, the City Council of the City of Oxnard desires to authorize an amendment to the current contract between the City of Oxnard and the Board of Administration, California Public Employees' Retirement System for public safety fire members.

NOW, THEREFORE, the City Council of the City of Oxnard does ordain as follows:

Part 1. An amendment to the contract between City Council of the City of Oxnard and the Board of Administration, California Public Employees' Retirement System, for public safety fire members is hereby authorized. A copy of such amendment is attached hereto, marked Exhibit A, and by such reference made part hereto as though set out in full.

Part 2. The City Manager of the City of Oxnard is hereby authorized, empowered, and directed to execute the amendment for and on behalf of the City of Oxnard.

Part 3. Within fifteen days after passage, the City Clerk shall cause this ordinance to be published one time in a newspaper of general circulation within the City. Ordinance No. \_\_\_\_\_ was first read on \_\_\_\_\_, and finally adopted on \_\_\_\_\_, 2007, to become effective thirty days thereafter.

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Dr. Thomas E. Holden, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Daniel Martinez, City Clerk

*Gary L. Gillig* 11-21-07  
\_\_\_\_\_  
Gary L. Gillig, City Attorney

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ATTACHMENT NO. 1  
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CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF INTENTION TO AMEND THE CONTRACT BETWEEN THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND THE CITY OF OXNARD

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement System (PERS) by the execution of a contract, and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law; and

WHEREAS, there exists a current contract between PERS and the City governing certain retirement benefits available to public safety fire employees of the City; and

WHEREAS, one of the steps in the procedures to amend this contract is the adoption by the governing body of the public agency of a resolution giving notice of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

WHEREAS, the following is a statement of the proposed change:

To provide Section 20434 (any officers or employees of a fire department employed to perform duties of firefighting, fire prevention, fire training, hazardous materials, emergency medial services or fire or arson investigation services as "Local Fire Fighters") and Section 20434.5 (Any officers or employees of a fire department employed to perform duties of hazardous materials services as "Local Fire Fighter").

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF OXNARD does hereby resolve and give notice of intention to approve an amendment to the contract between the City of Oxnard and the Board of Administration of the Public Employees' Retirement System, a copy of the amendment being attached hereto, as an "Exhibit" and by this reference made a part thereof.

PASSED AND ADOPTED this \_\_\_\_ day of December, 2007 by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Dr. Thomas E. Holden, Mayor

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ATTACHMENT 2  
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**EXHIBIT**

California  
Public Employees' Retirement System

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**AMENDMENT TO CONTRACT**

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

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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 February 1, 1952, and witnessed November 13, 1951, and as amended effective February 5, 1952, March 1, 1957, July 1, 1959, October 1, 1968, September 24, 1972, July 1, 1973, December 28, 1977, December 24, 1978, July 6, 1980, January 4, 1981, September 7, 1983, December 28, 1986, July 12, 1987, April 3, 1988, July 7, 1989, February 2, 1990, August 10, 2000, April 1, 2001, December 28, 2001 and January 1, 2005 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 13 are hereby stricken from said contract as executed effective January 1, 2005, and hereby replaced by the following paragraphs numbered 1 through 13 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 55 for local miscellaneous members and age 50 for local safety members.

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MEMORANDUM EXHIBIT C

2. Public Agency shall participate in the Public Employees' Retirement System from and after February 1, 1952 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).
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:

**NO ADDITIONAL EXCLUSIONS**

5. Public Agency and the Redevelopment Agency of the City of Oxnard and the Housing Authority of the City of Oxnard have agreed to a merger of their contracts, and this contract shall be a continuation of the benefits of the contract of the Redevelopment Agency of the City of Oxnard and the Housing Authority of the City of Oxnard, pursuant to Section 20567.6 of the Government Code. Such merger is effective as of July 12, 1987. Legislation repealed said Section effective January 1, 1988.
  - a. Service performed for the former agencies prior to July 12, 1987 shall be subject to the terms and conditions of the former agencies' contracts as they were in effect at that time. Service performed on and after July 12, 1987 shall be subject to the terms and conditions of this contract.
6. The percentage of final compensation to be provided for each year of credited prior and current service as a local miscellaneous member shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Full).

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7. The percentage of final compensation to be provided for each year of credited prior and current service as a local safety member shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50 Full).
8. Public Agency elected and elects to be subject to the following optional provisions:
  - a. Section 21573 (Third Level of 1959 Survivor Benefits) for local police members only.
  - b. Sections 21624 and 21626 (Post-Retirement Survivor Allowance).
  - c. Section 21389 (Second Opportunity to Elect 1959 Survivor Benefits). Legislation repealed said Section effective September 27, 1979.
  - d. Section 20965 (Credit for Unused Sick Leave) for local police members only.
  - e. Section 21024 (Military Service Credit as Public Service).
  - f. Section 21430 (Improved Industrial Disability Allowance for Local Safety Members) for local police members only.
  - g. Section 20903 (Two Years Additional Service Credit).
  - h. Section 20042 (One-Year Final Compensation) for local miscellaneous members only.
  - i. Section 21574 (Fourth Level of 1959 Survivor Benefits) for local miscellaneous members and local fire members only.
  - j. 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).
  - k. Section 20434.5 ("Local Fire Fighter" shall include any officer or employee of a fire department employed to perform hazardous materials services as described in Government Code Section 20434.5).

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PLEASE DO NOT SCALE THIS

9. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on December 28, 1977. 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.
10. 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.
11. Public Agency shall also contribute to said Retirement System as follows:
  - a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21573 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local police members.
  - b. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21574 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local miscellaneous members and local fire members.
  - 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.
12. 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.

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13. 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 OXNARD

BY \_\_\_\_\_  
LORI MCGARTLAND, CHIEF  
EMPLOYER SERVICES DIVISION  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY \_\_\_\_\_  
PRESIDING OFFICER

\_\_\_\_\_  
Witness Date

Attest:

\_\_\_\_\_  
Clerk