

RESOLUTION NO. RES-22-0188

A RESOLUTION OF INTENTION BY THE CITY COUNCIL OF THE CITY OF LONG BEACH TO APPROVE AN AMENDMENT TO CONTRACT BETWEEN THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND THE CITY OF LONG BEACH

WHEREAS, the California Public Employees' Retirement Law permits the participation of public agencies and their employees in the California Public Employees' Retirement System (CalPERS) 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, the City of Long Beach entered into a contract with the Board of Administration of CalPERS to provide for the City's participation in CalPERS effective July 1, 1950, which has been amended from time to time; and

WHEREAS, one of the steps in the procedures to further amend said 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 20516(f) (Employee Sharing Additional Cost) of 2% for Classic Public Safety employees in the in the Long Beach Lifeguard Association (LGA) toward the City's required employer contribution to CalPERS, via payroll deductions. The cost sharing contribution will be in addition to the 9% statutory employee contribution already paid by the employee, and will decrease the employee's contribution to a total of 11.0%.

1 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
2 follows:

3 Section 1. The City Council of the City of Long Beach does hereby give
4 notice of its intention to approve an amendment to the contract between the City of Long
5 Beach and the Board of Administration of the California Public Employees' Retirement
6 System, a copy of said amendment is attached hereto, as Exhibit "A", and incorporated by
7 this reference.

8 Section 2. This resolution shall take effect immediately upon its adoption by
9 the City Council, and the City Clerk shall certify the vote adopting this resolution.

10 I hereby certify that the foregoing resolution was adopted by the City Council
11 of the City of Long Beach at its meeting of November 1, 2022, by the
12 following vote:

13
14 Ayes: Councilmembers: Zendejas, Supernaw, Saro, Austin,
15 Richardson.

16
17
18 Noes: Councilmembers: None.

19
20 Absent: Councilmembers: Allen, Price, Mungo, Uranga.

21
22 Recusal(s): Councilmembers: None.

23
24
25
26 
27 City Clerk
28

EXHIBIT “A”



EXHIBIT

California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

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

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 July 1, 1950, and witnessed May 31, 1950, and as amended effective January 1, 1957, July 1, 1960, June 1, 1963, January 1, 1964, February 1, 1965, January 1, 1966, January 1, 1968, October 1, 1968, January 1, 1969, July 1, 1970, April 1, 1971, April 1, 1972, February 1, 1973, July 1, 1973, June 1, 1974, December 1, 1975, July 1, 1976, October 8, 1977, June 1, 1980, November 26, 1982, July 29, 1983, October 7, 1989, October 21, 1989, April 21, 1990, July 18, 1991, June 22, 1996, September 26, 1998, June 30, 2001, August 11, 2001, August 25, 2001, October 20, 2001, December 1, 2001, August 24, 2002, October 2, 2004, September 30, 2006, May 5, 2012, February 13, 2021, and March 26, 2022, which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 21 are hereby stricken from said contract as executed effective March 26, 2022, and hereby replaced by the following paragraphs numbered 1 through 21 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 classic local miscellaneous members, age 62 for new local miscellaneous members, age 50 for classic local safety members and age 57 for new local safety members.

2. Public Agency shall participate in the Public Employees' Retirement System from and after July 1, 1950, 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. Ocean Beach Lifeguards (included as local safety members);
 - d. 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:

- a. **PERSONS COMPENSATED ON A PER DIEM BASIS HIRED ON OR AFTER JANUARY 1, 1966;**
 - b. **RECREATION LEADERS/SPECIALISTS AND LIBRARY PAGES HIRED ON OR AFTER NOVEMBER 26, 1982; AND**
 - c. **FIREMEN AND POLICEMEN WHO ARE SUBJECT TO THE PROVISIONS OF SECTION 187 OF THE CITY CHARTER PRIOR TO THE EFFECTIVE DATE OF SECTION 187.1 THEREOF.**
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 August 24, 2002, shall be determined in accordance with Section 21354 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2% at age 55 Modified).
 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 August 24, 2002, and not entering membership for the first time in the miscellaneous classification after September 30, 2006, shall be determined in accordance with Section 21354.5 of said Retirement Law subject to the reduction provide therein for Federal Social Security (2.7% at age 55 Modified).
 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 September 30, 2006, shall be determined in accordance with Section 21354.4 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2.5% at age 55 Modified).
 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 fire member entering membership in the fire classification on or prior to May 5, 2012, 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 prior and current service as a classic local police member entering membership in the police classification on or prior to May 5, 2012, except those persons in employment on August 4, 1972, who were reclassified to local police officer status pursuant to Government Code Section 20020.1, shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50 Full).

12. The percentage of final compensation to be provided for each year of credited prior and current service for persons in employment on August 4, 1972, who were reclassified to local police officer status pursuant to Government Code Section 20020.1 shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50), Supplemental to Federal Social Security.
13. The percentage of final compensation to be provided for each year of credited prior and current service as a classic ocean beach lifeguard shall be determined in accordance with Section 21362.2 of said Retirement Law subject to the reduction provided therein for Federal Social Security (3% at age 50 Full and Modified).
14. The percentage of final compensation to be provided for each year of credited current service as a classic local fire member entering membership for the first time in the fire classification and for those classic local police members entering membership for the first time in the police classification after May 5, 2012, shall be determined in accordance with Section 21362 of said Retirement Law (2% at age 50 Full).
15. 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 and Supplemental to Federal Social Security).
16. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Sections 21624 and 21626 (Post-Retirement Survivor Allowance).
 - b. Section 20421 ("Local Safety Member" shall include ocean beach lifeguards of a city as described in Government Code Section 20421).
 - c. Section 20427 ("Local Police Officer" shall include any officer or employee of a juvenile bureau as described in Government Code Section 20427).
 - d. Section 21222.1 (One-Time 5% Increase - 1970). Legislation repealed said Section effective January 1, 1980.
 - e. Section 21222.2 (One-Time 5% Increase - 1971). Legislation repealed said Section effective January 1, 1980.
 - f. Section 20042 (One-Year Final Compensation) for classic local miscellaneous members, classic ocean beach lifeguards, and for those classic local fire members and classic local police members entering membership on or prior to May 5, 2012.
 - g. Section 20965 (Credit for Unused Sick Leave).

- h. Section 21319 (One-Time 15% Increase for Local Miscellaneous Members Who Retired or Died Prior to July 1, 1971). Legislation repealed said Section effective January 1, 2002.
- i. Section 21335 (5% Cost-of-Living Allowance) for those local fire members and ocean beach lifeguards entering membership on or prior to October 7, 1989, local miscellaneous members entering membership on or prior to October 21, 1989, and local police members entering membership on or prior to April 21, 1990.
- j. Section 20020.1 ("Local Police Officer" shall include employees of a police department who were employed to perform identification or communication duties on August 4, 1972, and who elected to be local safety members within six months of July 29, 1983). Legislation repealed said Section effective January 1, 1985.
- k. Section 20475 (Different Level of Benefits): Section 21329 (2% Annual Cost-of-Living Allowance Increase) is applicable to local miscellaneous members entering membership for the first time with this agency in the miscellaneous classification after October 21, 1989, local fire members entering membership for the first time with this agency in the fire classification after October 7, 1989, ocean beach lifeguards entering membership for the first time with this agency in the ocean beach lifeguard classification after October 7, 1989, and local police members entering membership for the first time with this agency in the police classification after April 21, 1990.

Section 21354.4 (2.5% @ 55 Modified formula) is applicable to classic local miscellaneous members entering membership for the first time with this agency in the miscellaneous classification after September 30, 2006.

Section 21362 (2% @ 50 Full formula) and Section 20037 (Three-Year Final Compensation) are applicable to classic local fire members entering membership for the first time with this agency in the fire classification after May 5, 2012.

Section 21362 (2% @ 50 Full formula) and Section 20037 (Three-Year Final Compensation) are applicable to classic local police members entering membership for the first time with this agency in the police classification after May 5, 2012.

- l. Section 20903 (Two Years Additional Service Credit).
- m. Section 21024 (Military Service Credit as Public Service).
- n. Section 21548 (Pre-Retirement Option 2W Death Benefit).
- o. Section 21023.5 (Public Service Credit for Peace Corps, AmeriCorps VISTA, or AmeriCorps Service) for local miscellaneous members only.

- p. Section 21574 (Fourth Level of 1959 Survivor Benefits) for local police members and local fire members only.

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

From and after February 13, 2021, 3% for classic local police members in the Long Beach Police Officers' Association.

From and after March 26, 2022, 3% for classic local safety members in the Long Beach Management Association.

From and after the effective date of this amendment to contract, 2% for classic ocean beach lifeguards in the Long Beach Lifeguard 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.

- 17. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on December 1, 1975. 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.
- 18. 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.
- 19. 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 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 police members and local fire members.
 - b. 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.

- c. 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.
20. 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.
21. 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 LONG BEACH

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

BY _____
PRESIDING OFFICER

Witness Date _____

Attest: _____

Clerk _____