

ORDINANCE NO. 3560

ORDINANCE OF THE CITY OF CHULA VISTA AUTHORIZING THE AMENDMENT TO THE CONTRACT BETWEEN THE CITY AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM TO PROVIDE A MANDATORY EMPLOYEE CONTRIBUTION FOR ALL CLASSIC LOCAL SAFETY MEMBERS OF THE 2180 INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS OF ONE PERCENT OF SALARY EFFECTIVE JANUARY 12, 2024

WHEREAS, the City Council is to amend the contract between the City of Chula Vista and the California Public Employees' Retirement System to provide a mandatory employee contribution for all Local Safety Fire Classic members of the 2180 Local International Association of Fire Fighters of 1% of salary effective January 12, 2024; and

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

WHEREAS, one of the steps in the procedure to amend this contract is the adoption by the governing body of the public agency of an ordinance to approve an amendment to the contract.

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

Section I. The amendment to the contract between the City Council of the City of Chula Vista and the Board of Administration, California Public Employees' Retirement System is hereby authorized, a copy of said amendment is attached hereto, marked Exhibit, and by which reference made a part hereof as though herein set out in full.

Section II. Severability

If any portion of this Ordinance, or its application to any person or circumstance, is for any reason held to be invalid, unenforceable or unconstitutional, by a court of competent jurisdiction, that portion shall be deemed severable, and such invalidity, unenforceability or unconstitutionality shall not affect the validity or enforceability of the remaining portions of the Ordinance, or its application to any other person or circumstance. The City Council of the City of Chula Vista hereby declares that it would have adopted each section, sentence, clause or phrase of this Ordinance, irrespective of the fact that any one or more other sections, sentences, clauses or phrases of the Ordinance be declared invalid, unenforceable or unconstitutional.

Section III. Construction

The City Council of the City of Chula Vista intends this Ordinance to supplement, not to duplicate or contradict, applicable state and federal law and this Ordinance shall be construed in light of that intent.

Section IV. Effective Date

This Ordinance shall take effect and be in force on the thirtieth day after its final passage.

Section V. Publication

The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted according to law.

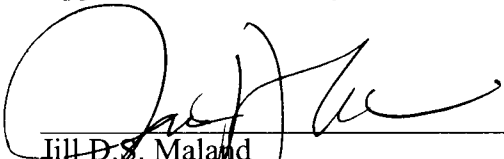
[SIGNATURES ON THE FOLLOWING PAGE]

Presented by

Approved as to form by



Courtney Chase
Deputy City Manager



Jill D.S. Maland
Lounsbury Ferguson Altona & Peak
Acting City Attorney

PASSED, APPROVED, and ADOPTED by the City Council of the City of Chula Vista, California, this 9th day of January 2024, by the following vote:

AYES: Councilmembers: Cardenas, Chavez, Gonzalez, Preciado, and McCann
NAYS: Councilmembers: None
ABSENT: Councilmembers: None



John McCann, Mayor

ATTEST:



Kerry K. Bigelow, MMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO)
CITY OF CHULA VISTA)

I, Kerry K. Bigelow, City Clerk of Chula Vista, California, do hereby certify that the foregoing Ordinance No. 3560 had its first reading at a regular meeting held on the 14th day of November 2023, and its second reading and adoption at a regular meeting of said City Council held on the 9th day of January 2024 and was duly published in summary form in accordance with the requirements of state law and the City Charter.

1/10/2024
Dated



Kerry K. Bigelow, MMC, City Clerk



**CERTIFICATION
OF
FINAL ACTION OF GOVERNING BODY**

I hereby certify that the City Council of the
City of Chula Vista (governing body)
(public agency)

considered and adopted on January 9, 2024, by an affirmative vote of a
(date)

majority of the members of said Governing Body, **Ordinance / Resolution** No. 3560
approving the attached contractual agreement between the Governing Body of said Agency and
the Board of Administration of the California Public Employees' Retirement System, a certified
copy of said **Ordinance / Resolution** in the form furnished by said Board of Administration being
attached hereto.

Adoption of the retirement benefit increase/change was not placed on the consent calendar.

Sophia K. Sun
for Clerk/Secretary

Deputy Director of City Clerk
Title Services

Date 1/10/24



California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

**Between the
Board of Administration
California Public Employees' Retirement System
and the
City Council
City of Chula Vista**

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 October 1, 1948, and witnessed August 31, 1948, and as amended effective October 1, 1951, November 1, 1955, January 1, 1960, January 1, 1961, September 1, 1967, September 28, 1973, October 4, 1973, October 8, 1976, April 16, 1981, January 8, 1982, September 28, 1984, July 3, 1987, October 13, 1989, September 27, 1990, November 16, 1990, January 4, 1991, September 6, 1991, October 7, 1994, June 28, 1995, May 29, 1998, April 7, 2000, July 1, 2002, December 27, 2002, June 27, 2003, August 20, 2004, November 7, 2007, April 22, 2011, and July 1, 2022, which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 20 are hereby stricken from said contract as executed effective July 1, 2022, and hereby replaced by the following paragraphs numbered 1 through 20 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, age 62 for new local miscellaneous members, age 50 for classic local safety members entering membership in the safety classification on or prior to April 22, 2011, age 55 for classic local safety members entering membership for the first time in the safety classification after April 22, 2011, and age 57 for new local safety members.
2. Public Agency shall participate in the Public Employees' Retirement System from and after October 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. Effective October 4, 1993, and prior to January 1, 1975, those members who were hired by Public Agency on a temporary and/or seasonal basis not to exceed 6 months were excluded from PERS membership by contract. Government Code Section 20336 superseded this contract provision by providing that any such temporary and/or seasonal employees are excluded from PERS membership subsequent to January 1, 1975. Legislation repealed and replaced said Section with Government Code Section 20305 effective July 1, 1994.
7. This contract shall be a continuation of the contract of the Montgomery Fire Protection District, hereinafter referred to as "Former Agency". The accumulated contributions, assets, and liability for prior and current service under the Former Agency's contract shall be merged pursuant to Section 20508 of the Government Code. Such merger occurred January 1, 1986.
 - a. All benefits provided under this contract shall apply to all past service for former employees of the Montgomery Fire Protection District.
8. 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 December 27, 2002, shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Full).
9. 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 December 27, 2002, and not entering membership for the first time in the miscellaneous classification after April 22, 2011, shall be determined in accordance with Section 21354.3 of said Retirement Law (3% at age 60 Full).

10. 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 April 22, 2011, shall be determined in accordance with Section 21353 of said Retirement Law (2% at age 60 Full).
11. 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 Full).
12. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local safety member entering membership in the safety classification on or prior to April 22, 2011, shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50 Full).
13. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local safety member entering membership for the first time in the safety classification after April 22, 2011, shall be determined in accordance with Section 21363.1 of said Retirement Law (3% at age 55 Full).
14. 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).
15. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 20965 (Credit for Unused Sick Leave).
 - b. Section 20425 ("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 on or before September 28, 1973).
 - c. Section 21325 (One-Time 3% to 15% Increase For Local Miscellaneous Members Who Retired or Died Prior to January 1, 1974). Legislation repealed said Section effective January 1, 2002.
 - d. Sections 21624 and 21626 (Post-Retirement Survivor Allowance) for local safety members only.

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

Section 21362 (2% @ 50 Full formula) for local safety members. From and after September 28, 1984, and until July 1, 1985, the safety employees of Public Agency shall be assessed an additional 0.341% of their compensation for a total contribution rate of 9.341% pursuant to Government Code Section 20516.
- f. Section 21574 (Fourth Level of 1959 Survivor Benefits).
- g. Section 20042 (One-Year Final Compensation) for those classic members entering membership on or prior to April 22, 2011.
- h. Section 20426 ("Local Police Officer" shall include any officer or employee of a police department employed to perform communication duties and who elected to become a local safety member on August 25, 1973).
- i. Section 21024 (Military Service Credit as Public Service).
- j. Section 21623.5 (\$5,000 Retired Death Benefit).
- k. Sections 21624, 21626 and 21628 (Post-Retirement Survivor Allowance) for local miscellaneous members only.
- l. 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).
- m. Section 20903 (Two Years Additional Service Credit).
- n. Section 20475 (Different Level of Benefits): Section 21353 (2% @ 60 Full formula) and Section 20037 (Three-Year Final Compensation) are applicable to classic local miscellaneous members entering membership for the first time with this agency in the miscellaneous classification after April 22, 2011.

Section 21363.1 (3% @ 55 Full formula) and Section 20037 (Three-Year Final Compensation) are applicable to classic local safety members entering membership for the first time with this agency in the safety classification after April 22, 2011.

o. Section 20516 (Employees Sharing Additional Cost):

From and after July 1, 2022, 1% for classic local police members in the Chula Vista Police Officer's Association.

From and after the effective date of this amendment to contract, 1% for classic local fire members in the International Association of Fire Fighters.

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.

16. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on October 8, 1976. 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.
17. 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.
18. 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.

19. 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.
20. 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 12th day of January, 2024.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL
CITY OF CHULA VISTA

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

BY J L McC
PRESIDING OFFICER

1/10/2024
Witness Date

Attest:
Aphar Sun
Clerk