

RESOLUTION OF INTENTION TO APPROVE AN
AMENDMENT TO CONTRACT BETWEEN THE
BOARD OF ADMINISTRATION OF THE
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
AND THE

CITY COUNCIL
OF THE
CITY OF SAN ANSELMO

WHEREAS, the Public Employees' Retirement Law 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 said public agencies may elect to subject themselves and their employees to amendments to said law; and

WHEREAS, one of the steps required in the procedure to amend this contract is the adoption by the legislative 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 changes proposed in said contract; and

WHEREAS, the City desires to remove the exclusion of library employees, and

WHEREAS, attached is a summary of the major provisions of the proposed plan:

NOW, THEREFORE, BE IT RESOLVED, that the CITY COUNCIL of the CITY OF SAN ANSELMO gives, and it does hereby give, notice of intention to approve an amendment to contract between said CITY COUNCIL and the Board of Administration of the Public Employees' Retirement System, a copy of said amendment and a summary of the major provisions of the proposed changes being attached hereto, marked Exhibits "A" and "B" and by this reference made a part hereof.

CITY COUNCIL
OF THE
CITY OF SAN ANSELMO

BY Warren R. Perry
(Name)
Warren R. Perry

Mayor

(Title)

August 8, 1972
(Date adopted and approved)

(Resolution 1409)

ATTEST: Helen Ragan
Helen Ragan, City Clerk

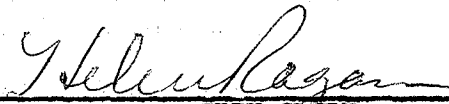
CERTIFICATION OF GOVERNING BODY'S ACTION

I hereby certify that the foregoing is a true and correct copy
of a Resolution adopted by the CITY COUNCIL,
(Governing Body)

of the CITY OF SAN ANSELMO,
(Name of Public Agency)

on August 8, 1972, appearing at Page 206,
(Date)

Volume _____ of the (Minutes) (Official Records) of the
CITY COUNCIL
(Governing Body)



CITY CLERK or
Secretary of the Board

EXHIBIT ONLY

EXHIBIT A

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

**CITY COUNCIL
OF THE
CITY OF SAN ANSELMO**

The Board of Administration, Public Employees' Retirement System, hereinafter referred to as Board, and the CITY COUNCIL of the CITY OF SAN ANSELMO, hereinafter referred to as Public Agency having entered into a contract under the date of April 24, 1959, effective July 1, 1959, and as amended effective January 1, 1964, November 1, 1966, and December 1, 1968, 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 July 1, 1959, and are hereby replaced by the following paragraphs numbered 1 through 11 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 miscellaneous members and age 55 for local safety members, except those local safety members continuing under provisions of the contract prior to the amendment effective November 1, 1966.
 2. Public Agency shall participate in the Public Employees' Retirement System from and after July 1, 1959, 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 such as by express provision thereof apply only on the election of contracting agencies.
 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 firemen (herein referred to as local safety members);
 - b. Local policemen (herein referred to as local safety members);
 - c. Employees other than local safety members (herein referred to as miscellaneous members).

The following employees shall be excluded from membership in said Retirement System:

NO ADDITIONAL EXCLUSIONS

EXHIBIT ONLY

The fraction of final compensation to be provided for each year of credited prior and current service as a miscellaneous member upon retirement at normal retirement age shall be applied as provided in Section 21251.13 of said Retirement Law and shall be reduced by one-third for application to the first \$400 of monthly compensation of members covered under Social Security, provided however, that said reduced fraction shall apply with respect to all service of such member whether or not the service is included in Federal Social Security.

5. The fraction 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 21252.1 and shall be reduced for members covered under Federal Social Security in accordance with Section 21252.45 of said Retirement Law.
6. Contributions for miscellaneous and local safety members shall be subject to Sections 20603 and 20612 of said Retirement Law respectively, said sections providing for a reduction in rates of contribution as such rates relate to the first \$400 of monthly compensation and 100% of such rates as they apply to the remainder of the monthly compensation. Members whose positions are excluded from Social Security coverage shall contribute in accordance with Sections 20603 and 20602 of said Retirement Law.
7. Paragraphs 5 and 6 above shall not apply to those local safety members in employment on November 1, 1966 who elected to continue under the provisions of this contract prior to said amendment and Sections 20602 and 21252.5 of said Retirement Law shall continue to apply with respect to such members as provided in Section 21252.45.
8. 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. Section 21251.75 (providing for increases in allowances payable for time commencing December 1, 1968 to persons retired prior to January 1, 1967).
 - b. That portion of Section 21251.13 which provides for reduction in the percentage of final compensation for members covered under Social Security).
9. Public Agency shall contribute to said Retirement System as follows:
 - a. With respect to miscellaneous members, the Public Agency shall contribute the following percentages of monthly salaries earned as miscellaneous members of said system.
 - (1) 2.45 percent until June 30, 1990 on account of the liability for prior service benefits.
 - (2) 7.15 percent on account of the liability for current service benefits.

- b. With respect to local safety members, the Public Agency shall contribute the following percentages of monthly salaries earned as local safety members of said System:
- (1) 5.273 percent until June 30, 1984 on account of the liability for prior service benefits.
 - (2) 8.118 percent on account of the liability for current service benefits.
- c. A reasonable amount per annum, as fixed by Board to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or the periodical investigations and valuation required by law, provided that said amount shall be determined on the basis of the number of employees of Public Agency who are reported as members on the payroll to be designated by the System covering one month of each year, or with respect to the first and second year of participation.
- d. A reasonable amount as fixed by the Board, payable in one installment as the occasions arise, to cover costs of special valuations on account of employees of Public Agency, and costs of the periodical investigation and valuations required by law.

10. 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 periodical investigation and valuation required by said Retirement Law.

11. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within thirty days after the end of the period to which said contributions refer. 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, or adjustments on account of errors in contributions required of any employee may be made by direct cash payments between the employee and Board. Payments by Public Agency to Board may be made in the form of warrants, bank checks, bank drafts, certified checks, money orders, or cash.

B. This amendment shall be attached to said contract and shall be effective on the _____ day of _____.

Witness our hands this _____ day of _____.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL OF THE
CITY OF SAN ANSELMO

BY
William E. Payne, Executive Officer

BY
President of Council

Attest:
Clerk

EXHIBIT ONLY

EXHIBIT B

SUMMARY OF MAJOR PROVISIONS Modified 2% at 60 (1/50 Retirement Program) Local Miscellaneous Members

MEMBERSHIP

Membership is compulsory for all employees, other than elected officials, who are employed one-half time or more except those excluded under the contract.

SERVICE RETIREMENT

The earliest retirement age is 55; the normal retirement age is 60; and the compulsory retirement age is 67 for those who attain age 67 on or after October 1, 1973. Compulsory retirements are based on a set graduated scale until that date. An employee may retire any time after age 55 provided he meets the minimum requirement that he have 5 years of service.

The monthly income is determined by age at retirement, years of credited service, and "final compensation". The basic benefit will be 2% of "final compensation" for each year of credited service upon retirement age 60. If retirement is deferred beyond age 60, the percentages of "final compensation" for each year of service are increased actuarially up to age 63 but not beyond. If retirement is earlier than age 60, the percentages of "final compensation" for each year of service are actuarially decreased. In order to coordinate the benefits from the State system with benefits from Social Security (for those employees covered by Social Security) the Law provides that the portion of the State system which relates to the first \$400 of monthly salary will be two-thirds of the full formula with the full formula governing that portion of the benefit which is earned by the excess of final compensation over \$400. Mathematically this is exactly the same as though the salary subject to retirement were reduced by \$133.33 for any member earning \$400 a month or more.

"Final compensation" is the highest average annual compensation (excluding overtime) earnable by a member during the three consecutive years of employment immediately preceding the effective date of retirement or during any other period of 3 consecutive years designated by the member.

A minimum service retirement allowance of \$100 per month is guaranteed upon compulsory retirement with credit for prior service.

DISABILITY RETIREMENT

An employee becoming disabled to the extent that he is incapable of performing his duties shall be eligible for disability retirement provided he has at least 5 years of service. The monthly retirement allowance is 1.50% of "final compensation" for each year of service, with a minimum guarantee of one-third of final compensation for most employees who have rendered at least 10 years of service. The disability retirement allowance shall under no circumstances exceed the service retirement allowance payable upon retirement for service at age 60 if employment could be continued to that age.

DEATH BENEFITS

Death Before Retirement

Basic Death Benefit This benefit is a refund of the member's accumulated contributions plus six months' salary provided he has been a member for six years or more. For those who die before completing six years of membership, the benefit is one month's salary for each year of membership plus refund of contributions. The salary referred to is that earned during the year preceding death. Prior service does not count toward this benefit.

1957 Survivor Benefit Employees with 5 or more years of service who have reached the minimum age for service retirement have further death protection under this item. Here the surviving widow can elect to receive either the basic death benefit or a monthly income equal to one-half the unmodified retirement allowance the employee was eligible for on the date of his death. The monthly income lasts until the widow's death or remarriage with a guarantee that the System will pay as much as under the basic death benefit.

Death After Retirement

The death benefit is \$500 if death occurs after retirement. This amount will be in addition to any payments which might be made under an optional retirement benefit chosen by the member at his retirement.

TERMINATION OF EMPLOYMENT

Upon termination of employment, an employee with 5 or more years of service may either leave his contributions with the System and receive, upon attaining retirement age, the retirement benefit he has earned, or he may withdraw his contributions (plus interest), thus, terminating his membership in the System and receiving no retirement benefits. Except, (1) a member with less than 5 years of service shall not have the privilege of leaving his contributions with the System, but shall automatically have his contributions, plus interest, refunded upon termination of employment and (2) a member who is transferring to employment with another agency which is covered under the System shall not have the right of withdrawing his accumulated contributions.

EMPLOYEE CONTRIBUTIONS

Each miscellaneous member, whether a new member or a member with years of membership, will start contributing at the uniform rate of 7% of salary earned, exclusive of overtime, on the date this formula becomes effective.

The employer also contributes toward the cost of the benefits. The amount contributed by the employer for current service retirement benefits will, on the average, exceed the cost to the employee. In addition, the employer bears the entire cost of prior service and disability benefits.

All contribution rates are subject to revision by the Board of Administration.