

**MEMORANDUM  
PERSONNEL DEPARTMENT  
COUNTY OF PLACER**

**TO:** Board of Supervisors  
**FROM:** Nancy Nittler, Personnel Director *N. Nittler*  
**BY:** Ann Craig, Personnel Services Manager *AC*  
**DATE:** January 11, 2011  
**SUBJECT:** Adoption of the Resolution of Intention and Ordinance Amending the CalPERS Contract to adopt the CalPERS 2.0% @ 55 Modified Local Miscellaneous and 3% @ 55 Modified Local Safety Formulae for New Hires per Government Code Section 20475 (Different Level of Benefits) and Three Year Final Compensation per Government Code Section 20037

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**REQUESTED ACTION AND RECOMMENDATION:**

- 1) Approve the attached Resolution of Intention for the California Public Employees Retirement System (CalPERS) to amend the CalPERS contract to provide 2.0% @ 55 Modified Local Miscellaneous and 3% @ 55 Modified Local Safety formulae for new hires per Government Code Section 20475 (Different Level of Benefits) and Three Year Final Compensation per Government Code Section 20037 to be effective March 12, 2011;
- 2) Introduction of an Ordinance (attached) for the California Public Employees Retirement System (CalPERS) to amend the CalPERS contract to provide 2.0% @ 55 Modified Local Miscellaneous and 3% @ 55 Modified Local Safety formulae for new hires per Government Code Section 20475 (Different Level of Benefits) and Three Year Final Compensation per Government Code Section 20037 to be effective March 12, 2011;
- 3) Approve two CalPERS Resolutions to identify that employees hired on or after March 12, 2011, including Elected Officials, Management (Classified & Unclassified), Safety Management, and Confidential employees will pay the full employee retirement contribution.

**BACKGROUND:**

In summary, the recommended actions would result in substantial modifications to the following retirement benefits for new employees hired on or after March 12, 2011 by:

1. Changing the retirement benefits for all future safety employees from the 3% @ 50 to the 3% @ 55 Modified formula
2. Changing the retirement benefits for all future miscellaneous employees from 2.5% @ 55 to 2.0% @ 55 Modified formula
3. Requiring that all new employees future retirement allowances be based upon a three year average of pay instead of the current one year average.
4. Requiring all new Safety, Management and Confidential employees to pay the 100% of the employee share of the retirement contribution.

Prior Board actions taken September 7, 2010 for Placer Public Employee Organization, Management and Confidential Employees and on November 2, 2010 for Deputy Sheriff Association Employees, directed staff to implement a second tier retirement formulae of 2.0% @ 55 Modified for Local Miscellaneous members and 3.0% @ 55 Modified for Local Safety members for all Placer County employees hired after the CalPERS contract implementation date. This retirement formula change will only affect new hires or employees who change their retirement classifications (local miscellaneous to safety or vice a versa) on or after March 12, 2011. The CalPERS contract amendment includes a Three Year Final Compensation period rather than the current One Year Final Compensation period. The Local Miscellaneous formula

change also reduces the required employee contribution from 8% to 7% for these employees and the employee contribution for employees hired as Local Safety employees will continue to be 9%.

CalPERS rules require that local agencies adopt the attached Resolution of Intention at least twenty (20) days prior to adoption of the ordinance amending the CALPERS contract. However, the first reading of the ordinance can be accomplished at the same time the Resolution of Intention is adopted. It is anticipated that the second reading of the ordinance will occur at the February 8, 2011 Board Meeting with an effective implementation date of March 12, 2011. The employer cost must be published in a local newspaper prior to adoption.

Your Board also directed that management employees (classified, unclassified and safety), confidential employees and elected officials hired after the effective date of the CalPERS contract change will pay the full cost of the employee retirement contribution at 7% or 9% as dictated by the new formulas. This change will also be effective March 12, 2011.

Finally, it should also be noted that the adoption of the new retirement formulas will also impact new employees hired after the effective date for the Placer County Superior Courts. The Courts have been notified of the contract change.

**FISCAL IMPACT:**

The two-tiered retirement platform is a prospective financial measure intended to reduce long term pension liabilities and costs. As a result, implementation of the two-tiered platform is not expected to generate immediate budget savings nor have a significant impact on the CalPERS actuarial reports in the short term. CalPERS actuarial estimates for employees hired under the 2.0% at 55 Miscellaneous or 3.0% at 55 Safety Plans project a reduction to CALPERS employer rates of 1.4 to 2.9% depending upon the plan the new hire will be in (Safety or Miscellaneous).

Placer County's hiring freeze began in 2007 and, as a result, only small numbers of new employees are being brought into County service in recent years. In the future, the greatest savings generated from new hires will be through an increased employee retirement contribution of between 7% and 9% of salary. To illustrate: a new hire paid \$50,000 annually, the County will save \$4,200 for Miscellaneous Plan employees and \$5,900 for Safety Plan employees through the combined savings in employer and employee retirement contribution rates.

In addition, due to the Three Year Average Compensation rate being used in lieu of the One Year Final Compensation future pension costs for new hires should be lower than would have been realized under the current formula.

**Attachments**

1. Resolution of Intention
2. Ordinance to adopt the two tiers
3. Exhibit A, "Draft" CalPERS Contract for ROI & Ordinance
4. CalPERS EPMC Resolutions for Mgt & Confidential Employees
5. CalPERS EPMC Resolutions for Mgt Safety Employees

cc: Tom Miller, County Executive Officer  
Therese Leonard, Principal Management Analyst  
Chuck Thiel, PPEO Business Agent  
Josh Tindall, PCDSA President  
Kathy Martinis, Auditor Controller  
Jake Chatters, Court Executive Officer Placer County Superior Courts

**Before the Board Of Supervisors  
County of Placer, State of California**

In the matter of:

A Resolution amending the CalPERS Contract to adopt the CalPERS 2.0% @ 55 Modified Local Miscellaneous and 3.0% @ 55 Modified Local Safety Formulae for New Hires per Government Code Section 20475 (Different Level of Benefits) and Three Year Final Compensation per Government Code Section 20037

Resol.No: \_\_\_\_\_

Ord.No.: \_\_\_\_\_

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held January 11, 2011, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

\_\_\_\_\_  
Chairman, Board of Supervisors

Attest:  
Clerk of said Board

\_\_\_\_\_

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement System by 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 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 20475 (Different Level of Benefits). Section 21354 (2% @ 55 Modified formula) and Section 20037 (Three Year Final Compensation) are applicable to local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract; and

Section 20475 (Different Level of Benefits). Section 21363.1 (3% @ 55 Modified formula) and Section 20037 (Three Year Final Compensation) are applicable to county peace officers entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract.

NOW THEREFORE, BE IT RESOLVED that the governing body of the above agency does hereby give notice of intention to approve an amendment to the contract between said public agency and the Board of Administration of the Public Employees' Retirement System, a copy of said amendment being attached hereto, as an "Exhibit" and by this reference made a part hereof.



# EXHIBIT A

California  
Public Employees' Retirement System

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## AMENDMENT TO CONTRACT

Between the  
Board of Administration  
California Public Employees' Retirement System  
and the  
Board of Supervisors  
County of Placer

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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 January 1, 1949, and witnessed December 13, 1948, and as amended effective July 1, 1952, January 1, 1959, March 3, 1959, August 1, 1959, June 1, 1960, August 1, 1964, March 1, 1967, September 23, 1968, January 1, 1971, June 1, 1973, September 5, 1974, September 24, 1977, March 9, 1979, June 1, 1979, December 1, 1980, November 14, 1981, February 18, 1983, April 14, 1984, February 2, 1985, June 22, 1985, December 28, 1991, June 27, 1992, March 1, 1998, August 1, 1998, February 19, 1999, August 28, 1999, July 28, 2001, February 9, 2002, December 27, 2003, July 10, 2004 and April 14, 2007 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

Pursuant to Government Code sections 20460.1, 20469.1, subdivision (b), and 71624, this contract is hereby amended to add the Trial Court of Placer County, hereinafter referred to as Trial Court, as a contracting party. Trial Court shall participate in the Public Employees Retirement System from and after the implementation date of the Trial Court Employment Protection and Governance Act pursuant to the terms and conditions of this contract, making its employees 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 in this contract 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.

- A. Paragraphs 1 through 16 are hereby stricken from said contract as executed effective April 14, 2007, and hereby replaced by the following paragraphs numbered 1 through 19 inclusive:

PLEASE DO NOT SIGN "EXHIBIT ONLY"

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, age 55 for local fire members and those county peace officers entering membership for the first time in the county peace officer classification after the effective date of this amendment to contract, and age 50 for those county peace officers entering membership in the county peace officer classification on or prior to the effective date of this amendment to contract.
2. Public Agency shall participate in the Public Employees' Retirement System from and after January 1, 1949 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 attorneys 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) Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than 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.
  - (d) Public Agency's election to file for bankruptcy under Chapter 9 (commencing with section 901) of Title 11 of the United States Bankruptcy Code and/or Public Agency's election to reject this Contract with the CalPERS Board of Administration pursuant to section 365, of Title 11, of the United States Bankruptcy Code or any similar provision of law.

PLEASE DO NOT SIGN "EXHIBIT ONLY"

- (e) Public Agency's election to assign this Contract without the prior written consent of the CalPERS' Board of Administration.
  - (f) The termination of this Contract either voluntarily by request of Public Agency or involuntarily pursuant to the Public Employees' Retirement Law.
  - (g) Changes sponsored by Public Agency in existing retirement benefits, provisions or formulas made as a result of amendments, additions or deletions to California statute or to the California Constitution.
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. County Peace Officers (included 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. 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. The percentage of final compensation to be provided for each year of credited prior and current service for local miscellaneous members in employment before and not on or after July 10, 2004 shall be determined in accordance with Section 21354 of said Retirement Law, subject to the reduction provided therein for service on and after January 1, 1959, the effective date of Social Security coverage, for members whose service has been included in Federal Social Security (2% at age 55 Full and Modified).

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8. The percentage of final compensation to be provided for each year of credited prior and current service for local miscellaneous members in employment on or after July 10, 2004 and not entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract shall be determined in accordance with Section 21354.4 of said Retirement Law, subject to the reduction provided therein for service on and after January 1, 1959, the effective date of Social Security coverage, for members whose service has been included in Federal Social Security (2.5% at age 55 Full and Modified).
9. The percentage of final compensation to be provided for each year of credited current service for local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract shall be determined in accordance with Section 21354 of said Retirement Law, subject to the reduction provided therein for service on and after January 1, 1959, the effective date of Social Security coverage, for members whose service has been included in Federal Social Security (2% at age 55 Modified).
10. The percentage of final compensation to be provided for each year of credited prior and current service for local fire members who did not elect to continue under the provisions of Section 21366 shall be determined in accordance with Section 21369 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2% at age 55 Modified).
11. The percentage of final compensation to be provided for each year of credited prior and current service for local fire members who elected to continue under the provisions of Section 21366 shall be determined in accordance with Section 21366 of said Retirement Law subject to the reduction provided therein for Federal Social Security (One-half pay at age 55 Modified).
12. The percentage of final compensation to be provided for each year of credited prior and current service as a County Peace Officer entering membership in the County Peace Officer classification on or prior to the effective date of this amendment to contract 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 Modified).
13. The percentage of final compensation to be provided for each year of credited current service as a County Peace Officer for the first time in the County Peace Officer classification after the effective date of this amendment to contract shall be determined in accordance with Section 21363.1 of said Retirement Law subject to the reduction provided therein for Federal Social Security (3% at age 55 Modified).

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14. Public Agency elected and elects to be subject to the following optional provisions:
- a. Section 21222.1 (One-Time 5% Increase - 1970). Legislation repealed said Section effective January 1, 1980.
  - b. Section 20437 ("County Peace Officer" shall include constables, deputy constables, marshals and deputy marshals as described in Government Code Section 20437).
  - c. Section 20042 (One-Year Final Compensation) for those local miscellaneous members and county peace officers entering membership in the miscellaneous classification and county peace officer classification on or prior to the effective date of this amendment to contract, and for all local fire members.
  - d. 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.
  - e. Section 21325 (One-Time 3% to 15% Increase For Local Miscellaneous Members and Local Safety Members Who Retired or Died Prior to January 1, 1974). Legislation repealed said Section effective January 1, 2002.
  - f. Section 21326 (One-Time 1% to 7% Increase For Local Miscellaneous Members and Local Safety Members Who Retired or Died Prior to July 1, 1974). Legislation repealed said Section effective January 1, 2002.
  - g. Section 21327 (One-Time Increase For Local Miscellaneous Members and Local Safety Members Who Retired or Died Prior to January 1, 1975). Legislation repealed said Section effective January 1, 2002.
  - h. Section 21622 (\$600 Retired Death Benefit).
  - i. Section 21322 (One-Time 4% Increase For Local Miscellaneous Members and Local Safety Members Who Retired or Died Prior to January 1, 1981). Legislation repealed said Section effective January 1, 2002.
  - j. Section 21024 (Military Service Credit as Public Service).
  - k. Section 20438 ("County Peace Officer" shall include probation officers, deputy and assistant probation officers, juvenile hall employees, and persons employed as peace officers pursuant to Section 830.5 of the Penal Code as described in Government Code Section 20438).

PLEASE DO NOT SIGN "EXHIBIT ONLY"

- l. Section 21027 (Military Service Credit for Retired Persons).
  - m. Section 20439 ("County Peace Officer" shall include county jail, detention or correctional facility employees as described in Government Code Section 20439).
  - n. Section 21548 (Pre-Retirement Option 2W Death Benefit) for county peace officers only.
  - o. Section 20965 (Credit for Unused Sick Leave).
  - p. Section 21623.5 (\$3,000 Retired Death Benefit) for county peace officers only.
  - q. Section 20475 (Different Level of Benefits). Section 21354 (2% @ 55 Modified formula) and Section 20037 (Three-Year Final Compensation) are applicable to local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract.  
  
Section 21363.1 (3% @ 55 Modified formula) and Section 20037 (Three-Year Final Compensation) are applicable to county peace officer entering membership for the first time in the county peace officer classification after the effective date of this amendment to contract.
15. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on September 24, 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.
16. 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.
17. 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.
18. 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.
  19. 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

BOARD OF SUPERVISORS  
COUNTY OF PLACER

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

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

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

Attest:

\_\_\_\_\_  
Clerk

## Before the Board Of Supervisors County of Placer, State of California

In the matter of:

An Ordinance amending the CalPERS Contract to adopt the CalPERS 2.0%  
@ 55 Modified Local Miscellaneous and 3.0% @ 55 Modified Local Safety  
Formulae for New Hires per Government Code Section 20475 (Different  
Level of Benefits) and Three Year Final Compensation per Government  
Code Section 20037

Ordinance No.: \_\_\_\_\_

First Reading: \_\_\_\_\_

The following Ordinance was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held \_\_\_\_\_, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

\_\_\_\_\_  
Chairman, Board of Supervisors

Attest:  
Clerk of said Board

\_\_\_\_\_

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**THE BOARD OF SUPERVISORS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, DOES  
HEREBY ORDAIN AS FOLLOWS:**

The ordinance of the Board of Supervisors of the County of Placer authorizing an amendment to the contract between the Board of Supervisors of the County of Placer and the Board of Administration of the California Public Employees' Retirement System. The Board of Supervisors of the County of Placer does ordain as follows:

**Section 1.**

That an amendment to the contract between the Board of Supervisors of the County of Placer and the Board of Administration, California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked Exhibit, and by such reference made a part hereof as though herein set out in full.

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**Section 2.**

The Chair of the Board of Supervisors is hereby authorized, empowered and directed to execute said amendment for and on behalf of said Agency.

**Section 3.**

This Ordinance shall take effect March 12, 2011, and prior to the expiration of thirty (30) days from the passage thereof shall be published at least in the Auburn Journal, a newspaper of general circulation, published and circulated in the City of Auburn and thenceforth and thereafter the same shall be in full force and effect.

**Section 4.** That this ordinance amendment is adopted as an un-codified ordinance.



# EXHIBIT A

California  
Public Employees' Retirement System

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## AMENDMENT TO CONTRACT

Between the  
Board of Administration  
California Public Employees' Retirement System  
and the  
Board of Supervisors  
County of Placer

---

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 January 1, 1949, and witnessed December 13, 1948, and as amended effective July 1, 1952, January 1, 1959, March 3, 1959, August 1, 1959, June 1, 1960, August 1, 1964, March 1, 1967, September 23, 1968, January 1, 1971, June 1, 1973, September 5, 1974, September 24, 1977, March 9, 1979, June 1, 1979, December 1, 1980, November 14, 1981, February 18, 1983, April 14, 1984, February 2, 1985, June 22, 1985, December 28, 1991, June 27, 1992, March 1, 1998, August 1, 1998, February 19, 1999, August 28, 1999, July 28, 2001, February 9, 2002, December 27, 2003, July 10, 2004 and April 14, 2007 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

Pursuant to Government Code sections 20460.1, 20469.1, subdivision (b), and 71624, this contract is hereby amended to add the Trial Court of Placer County, hereinafter referred to as Trial Court, as a contracting party. Trial Court shall participate in the Public Employees Retirement System from and after the implementation date of the Trial Court Employment Protection and Governance Act pursuant to the terms and conditions of this contract, making its employees 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 in this contract 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.

A. Paragraphs 1 through 16 are hereby stricken from said contract as executed effective April 14, 2007, and hereby replaced by the following paragraphs numbered 1 through 19 inclusive:

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## PLEASE DO NOT SIGN "EXHIBIT ONLY"

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, age 55 for local fire members and those county peace officers entering membership for the first time in the county peace officer classification after the effective date of this amendment to contract, and age 50 for those county peace officers entering membership in the county peace officer classification on or prior to the effective date of this amendment to contract.
2. Public Agency shall participate in the Public Employees' Retirement System from and after January 1, 1949 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 attorneys 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) Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than 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.
  - (d) Public Agency's election to file for bankruptcy under Chapter 9 (commencing with section 901) of Title 11 of the United States Bankruptcy Code and/or Public Agency's election to reject this Contract with the CalPERS Board of Administration pursuant to section 365, of Title 11, of the United States Bankruptcy Code or any similar provision of law.

PLEASE DO NOT SIGN "EXHIBIT ONLY"

- (e) Public Agency's election to assign this Contract without the prior written consent of the CalPERS' Board of Administration.
  - (f) The termination of this Contract either voluntarily by request of Public Agency or involuntarily pursuant to the Public Employees' Retirement Law.
  - (g) Changes sponsored by Public Agency in existing retirement benefits, provisions or formulas made as a result of amendments, additions or deletions to California statute or to the California Constitution.
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. County Peace Officers (included 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. 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. The percentage of final compensation to be provided for each year of credited prior and current service for local miscellaneous members in employment before and not on or after July 10, 2004 shall be determined in accordance with Section 21354 of said Retirement Law, subject to the reduction provided therein for service on and after January 1, 1959, the effective date of Social Security coverage, for members whose service has been included in Federal Social Security (2% at age 55 Full and Modified).

PLEASE DO NOT SIGN "EXHIBIT ONLY"

8. The percentage of final compensation to be provided for each year of credited prior and current service for local miscellaneous members in employment on or after July 10, 2004 and not entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract shall be determined in accordance with Section 21354.4 of said Retirement Law, subject to the reduction provided therein for service on and after January 1, 1959, the effective date of Social Security coverage, for members whose service has been included in Federal Social Security (2.5% at age 55 Full and Modified).
9. The percentage of final compensation to be provided for each year of credited current service for local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract shall be determined in accordance with Section 21354 of said Retirement Law, subject to the reduction provided therein for service on and after January 1, 1959, the effective date of Social Security coverage, for members whose service has been included in Federal Social Security (2% at age 55 Modified).
10. The percentage of final compensation to be provided for each year of credited prior and current service for local fire members who did not elect to continue under the provisions of Section 21366 shall be determined in accordance with Section 21369 of said Retirement Law subject to the reduction provided therein for Federal Social Security (2% at age 55 Modified).
11. The percentage of final compensation to be provided for each year of credited prior and current service for local fire members who elected to continue under the provisions of Section 21366 shall be determined in accordance with Section 21366 of said Retirement Law subject to the reduction provided therein for Federal Social Security (One-half pay at age 55 Modified).
12. The percentage of final compensation to be provided for each year of credited prior and current service as a County Peace Officer entering membership in the County Peace Officer classification on or prior to the effective date of this amendment to contract 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 Modified).
13. The percentage of final compensation to be provided for each year of credited current service as a County Peace Officer for the first time in the County Peace Officer classification after the effective date of this amendment to contract shall be determined in accordance with Section 21363.1 of said Retirement Law subject to the reduction provided therein for Federal Social Security (3% at age 55 Modified).

PLEASE DO NOT SIGN "EXHIBIT ONLY"

14. Public Agency elected and elects to be subject to the following optional provisions:
- a. Section 21222.1 (One-Time 5% Increase - 1970). Legislation repealed said Section effective January 1, 1980.
  - b. Section 20437 ("County Peace Officer" shall include constables, deputy constables, marshals and deputy marshals as described in Government Code Section 20437).
  - c. Section 20042 (One-Year Final Compensation) for those local miscellaneous members and county peace officers entering membership in the miscellaneous classification and county peace officer classification on or prior to the effective date of this amendment to contract, and for all local fire members.
  - d. 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.
  - e. Section 21325 (One-Time 3% to 15% Increase For Local Miscellaneous Members and Local Safety Members Who Retired or Died Prior to January 1, 1974). Legislation repealed said Section effective January 1, 2002.
  - f. Section 21326 (One-Time 1% to 7% Increase For Local Miscellaneous Members and Local Safety Members Who Retired or Died Prior to July 1, 1974). Legislation repealed said Section effective January 1, 2002.
  - g. Section 21327 (One-Time Increase For Local Miscellaneous Members and Local Safety Members Who Retired or Died Prior to January 1, 1975). Legislation repealed said Section effective January 1, 2002.
  - h. Section 21622 (\$600 Retired Death Benefit).
  - i. Section 21322 (One-Time 4% Increase For Local Miscellaneous Members and Local Safety Members Who Retired or Died Prior to January 1, 1981). Legislation repealed said Section effective January 1, 2002.
  - j. Section 21024 (Military Service Credit as Public Service).
  - k. Section 20438 ("County Peace Officer" shall include probation officers, deputy and assistant probation officers, juvenile hall employees, and persons employed as peace officers pursuant to Section 830.5 of the Penal Code as described in Government Code Section 20438).

PLEASE DO NOT SIGN "EXHIBIT ONLY"

- l. Section 21027 (Military Service Credit for Retired Persons).
- m. Section 20439 ("County Peace Officer" shall include county jail, detention or correctional facility employees as described in Government Code Section 20439).
- n. Section 21548 (Pre-Retirement Option 2W Death Benefit) for county peace officers only.
- o. Section 20965 (Credit for Unused Sick Leave).
- p. Section 21623.5 (\$3,000 Retired Death Benefit) for county peace officers only.
- q. Section 20475 (Different Level of Benefits). Section 21354 (2% @ 55 Modified formula) and Section 20037 (Three-Year Final Compensation) are applicable to local miscellaneous members entering membership for the first time in the miscellaneous classification after the effective date of this amendment to contract.

Section 21363.1 (3% @ 55 Modified formula) and Section 20037 (Three-Year Final Compensation) are applicable to county peace officer entering membership for the first time in the county peace officer classification after the effective date of this amendment to contract.

- 15. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on September 24, 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.
- 16. 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.
- 17. 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.
18. 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.
  19. 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

BOARD OF SUPERVISORS  
COUNTY OF PLACER

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

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

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

Attest:

\_\_\_\_\_  
Clerk

## Before the Board Of Supervisors County of Placer, State of California

In the matter of:      Adopting the CalPERS Resolution to reduce the  
Employer Paid Member Contributions for all  
Elected Officials, Management (Classified and  
Unclassified), and Confidential Employees  
Hired on or after March 12, 2011

Resol.No: \_\_\_\_\_

Ord.No.: \_\_\_\_\_

First Reading: \_\_\_\_\_

The following Resolution was duly passed by the Board of Supervisors of the County of Placer  
at a regular meeting held January 11, 2011 by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

\_\_\_\_\_  
Chairman, Board of Supervisors

Attest:  
Clerk of said Board

\_\_\_\_\_

- 
- WHEREAS,**            The governing body of the Placer County has the authority to implement  
Government Code Section 20691;
- WHEREAS,**            The governing body of the Placer County has a written labor policy or  
agreement which specifically provides for the normal member contributions  
to be paid by the employer;
- WHEREAS,**            One of the steps in the procedures to implement Section 20691 is the  
adoption by the governing body of the Placer County of a Resolution to  
commence said Employer Paid Member Contributions (EPMC);

**WHEREAS,**

The governing body of the Placer County has identified the following conditions for the purpose of its election to pay EPMC:

- This benefit shall apply to all new hires in the Management (Classified and Unclassified), and Confidential Units and Elected Officials.
- This benefit shall consist of paying 0 percent of the normal member contributions as EPMC.
- The effective date of this Resolution shall be March 12, 2011

**NOW, THEREFORE, BE IT RESOLVED** that the governing body of the Placer County elects to pay EPMC, as set forth above.

## Before the Board Of Supervisors County of Placer, State of California

In the matter of:      Adopting the CalPERS Resolution  
                                 to reduce the Employer Paid Member  
                                 Contributions for all Safety Management  
                                 Employees Hired on or after March 12, 2011

Resol.No: \_\_\_\_\_

Ord.No.: \_\_\_\_\_

First Reading: \_\_\_\_\_

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held January 11, 2011 by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

\_\_\_\_\_  
Chairman, Board of Supervisors

Attest:  
Clerk of said Board

\_\_\_\_\_

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**WHEREAS,**            The governing body of the Placer County has the authority to implement Government Code Section 20691;

**WHEREAS,**            The governing body of the Placer County has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer;

**WHEREAS,**            One of the steps in the procedures to implement Section 20691 is the adoption by the governing body of the Placer County of a Resolution to commence said Employer Paid Member Contributions (EPMC);

**WHEREAS,**

The governing body of the Placer County has identified the following conditions for the purpose of its election to pay EPMC:

- This benefit shall apply to all new hires in the Safety Management unit and Elected Safety Officials.
- This benefit shall consist of paying 0 percent of the 9 percent of the normal member contributions as EPMC.
- The effective date of this Resolution shall be March 12, 2011

**NOW, THEREFORE, BE IT RESOLVED** that the governing body of the Placer County elects to pay EPMC, as set forth above.