



**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 Imperial 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 May 1, 1961, and witnessed March 14, 1961, and as amended effective April 12, 1973, March 8, 1985, June 28, 1990, September 6, 1990, January 10, 1991, July 1, 1991, March 6, 1992, June 9, 1994, May 20, 1995, December 19, 1996, February 12, 1998, July 6, 2001, May 12, 2006, January 7, 2007, March 9, 2012, January 10, 2014, December 8, 2017, and January 15, 2021, 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 January 15, 2021, 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 entering membership in the miscellaneous classification on or prior to March 9, 2012, age 60 for classic local miscellaneous members entering membership for the first time in the miscellaneous classification after March 9, 2012, age 62 for new local miscellaneous members, age 55 for classic local police members, age 50 for classic ocean beach lifeguards and classic local fire members, and age 57 for new local safety members.

2. Public Agency shall participate in the Public Employees' Retirement System from and after May 1, 1961, 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:

**NO ADDITIONAL EXCLUSIONS**

6. The percentage of final compensation to be provided for each year of credited prior and current service for those classic local miscellaneous members in employment prior to January 10, 1991, 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 for those classic local miscellaneous members in employment on or after January 10, 1991, and not on or after May 12, 2006, shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Full), pursuant to Government Code Section 20515.
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 on or after May 12, 2006, and not entering membership for the first time in the miscellaneous classification after March 9, 2012, shall be determined in accordance with Section 21354.5 of said Retirement Law (2.7% at age 55 Full), pursuant to Government Code Section 20515.
9. 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 March 9, 2012, shall be determined in accordance with Section 21353 of said Retirement Law (2% at age 60 Full), pursuant to Government Code Section 20515.
10. 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).
11. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local police member 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).

12. The percentage of final compensation to be provided for each year of credited prior and current service for those classic local fire members in employment prior to June 9, 1994, shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50 Modified).
13. The percentage of final compensation to be provided for each year of credited prior and current service for those classic local fire members in employment on and after June 9, 1994, and not entering membership for the first time in the fire classification after March 9, 2012, shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50 Full), pursuant to Government Code Section 20515.
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 after March 9, 2012, shall be determined in accordance with Section 21362 of said Retirement Law (2% at age 50 Full), pursuant to Government Code Section 20515.
15. The percentage of final compensation to be provided for each year of credited prior and current service for those classic ocean beach lifeguards in employment on and after December 19, 1996, shall be determined in accordance with Section 21362 of said Retirement Law (2% at age 50 Full), pursuant to Government Code Section 20515.
16. 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 Supplemental to Federal Social Security).
17. Public Agency elected and elects to be subject to the following optional provisions:
  - a. Section 20903 (Two Years Additional Service Credit) for local miscellaneous members, local fire members, and ocean beach lifeguards only.
  - b. Section 20361.3 (Assistant City Attorney as an Elective Officer). Legislation repealed said Section operative July 1, 1994.
  - c. Section 20042 (One-Year Final Compensation) for those classic local miscellaneous members, classic local fire members, and classic ocean beach lifeguards entering membership on or prior to March 9, 2012.
  - d. Section 20515 (Full Formula Plus Social Security) for past and future service for local miscellaneous members in employment on and after January 10, 1991, for local fire members in employment on or after June 9, 1994, and for ocean beach lifeguards in employment on or after December 19, 1996. Legislation repealed said Section effective January 1, 2002.

- e. Section 21024 (Military Service Credit as Public Service).
- f. 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 March 9, 2012.

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 March 9, 2012.

Section 20037 (Three-Year Final Compensation) is applicable to classic ocean beach lifeguards entering membership for the first time with this agency in the ocean beach lifeguard classification after March 9, 2012.

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

From January 10, 2014, and until January 15, 2021, 3% for first tier classic local fire members.

From and after January 10, 2014, 3% for second tier classic local fire members.

From and after December 8, 2017, and until the effective date of this amendment to contract, 1.8% for first tier classic local miscellaneous members.

From and after December 8, 2017, and until the effective date of this amendment to contract, 0.1% for second tier classic local miscellaneous members.

From and after December 8, 2017, and until the effective date of this amendment to contract, 3.4% for first tier classic ocean beach lifeguards.

From and after December 8, 2017, and until the effective date of this amendment to contract, 2.9% for second tier classic ocean beach lifeguards.

From and after January 15, 2021, and until the effective date of this amendment to contract, 5.78% for first tier classic local fire members.

From and after the effective date of this amendment to contract, 2.8% for first tier classic local miscellaneous members.

From and after the effective date of this amendment to contract, 0.6% for second tier classic local miscellaneous members.

From and after the effective date of this amendment to contract, 6.78% for first tier classic local fire members.

From and after the effective date of this amendment to contract, 4.4% for first tier classic ocean beach lifeguards.

From and after the effective date of this amendment to contract, 3.9% for second tier classic ocean beach lifeguards.

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.

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. 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.
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 IMPERIAL BEACH

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

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

Witness Date

Attest:

\_\_\_\_\_  
Clerk

PLEASE DO NOT SIGN "EXHIBIT ONLY"

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