

# Agenda Report

**TO:** CITY COUNCIL **DATE:** November 18, 2002

**FROM:** FIRE AND POLICE RETIREMENT BOARD

**SUBJECT:** PROPOSED CHARTER AMENDMENT TO DETERMINE WHETHER THE EXISTING RE-MARRIAGE PENALTY FOR MEMBERS OF THE CITY'S FIRE AND POLICE RETIREMENT SYSTEM SHOULD BE ELIMINATED

**RECOMMENDATION:**

It is recommended that the City Council adopt:

1. A resolution adding a proposed charter amendment ballot measure to the March 4, 2003 primary municipal election to determine whether the city should retain a charter provision which discontinues the pension allowance to the spouse of a deceased Fire and Police Pension System member upon the remarriage of the surviving spouse.
2. A resolution directing the City Attorney to draft an impartial analysis of this ballot measure.

**BACKGROUND:**

Pursuant to the City Charter, the Fire and Police Retirement Board ("Board") manages the City's Fire and Police Retirement System for the benefit of the employees of the police and fire departments. The City's Fire and Police Retirement System was closed to new members in July, 1977. From that point forward, new safety employees become members of the State of California's Public Employees Retirement System (CALPERS).

**Fire and Police Retirement Board**

In June, 2001, the Board received a request from the spouse of a deceased FPRS member to consider changing the rule that prohibits a deceased member's spouse from continuing to receive a pension distribution if he/she chooses to remarry.

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MEETING OF 11/18/2002

AGENDA ITEM NO. 7.D.1.

Subsequently, the Board considered the issue presented and came to the conclusion that the current rule amounts to a "remarriage" penalty and was inconsistent with the purpose of the City's private retirement system. Further, no such remarriage penalty attaches to those safety members who are members of CALPERS.

Staff to the Board consulted with Public Pension Professionals, Actuary to the Fire and Police Retirement System, regarding the cost to the system if spouses were allowed to continue receiving benefits if they chose to remarry. Public Pension Professionals has determined that this change will have no fiscal impact on the FPRS pension system.

In light of the information outlined above, the Board proposes that Section 1509.6 be amended to delete the requirement that the pension allowance to the spouse of a deceased member be terminated if the spouse remarries.

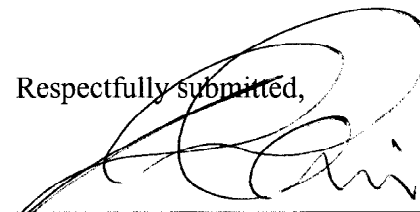
***CHARTER AMENDMENT RECOMMENDATION:***

*The language of Charter section 1506.6 shall be changed to allow the continuation of retirement benefits to the spouse of a deceased retired member if the spouse remarries.*

**FISCAL IMPACT:**

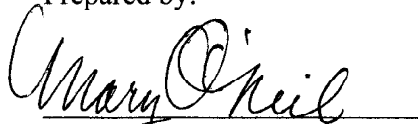
The cost to place a ballot measure on the March 4, 2003 ballot is approximately \$10,000.00. Funds are budgeted in the FY 2003 Elections Budget, Account 8114-101-263000, for having up to two measures on the ballot without the need for an additional appropriation.

Respectfully submitted,



David M. Davis, Chair  
Fire and Police Retirement Board

Prepared by:

  
Mary O'Neil  
Secretary to the Board

**RESOLUTION NO. \_\_\_\_\_**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA REGARDING WRITTEN ARGUMENTS PERTAINING TO THE CHARTER AMENDMENT PROPOSITION RELATING TO THE FIRE AND POLICE RETIREMENT SYSTEM AND DIRECTING THE CITY ATTORNEY TO CAUSE TO BE PREPARED AN IMPARTIAL ANALYSIS FOR SAID PROPOSITION.

WHEREAS, a primary nominating election on Tuesday, March 4, 2003 has been called by Resolution No. 8167, adopted on October 28, 2002, at which there will be submitted to the voters the follow proposition:

MEASURE \_\_\_\_\_

|   |     |  |
|---|-----|--|
| Shall the Pasadena City Charter be amended to allow the spouse of a deceased Fire and Police Retirement System (FPRS) public safety member to continue to receive pension benefits if he/she remarries? | YES |  |
|   | NO  |  |

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pasadena as follows:

Section 1. Arguments for or against the proposition shall be filed in accordance with the Elections Code of the State of California, Section 9280; *et seq*; and may be changed until and including the date fixed by the City Clerk, after which no arguments for or against the proposition may be submitted to the City Clerk.

Section 2. The City Council directs the City Clerk to transmit copies of the proposition to the City Attorney. The City Attorney shall cause to be prepared impartial analyses of the propositions showing the effect of the proposition on the existing law and the operation of the propositions. The impartial analyses shall be filed by the date set by the City Clerk for filing of primary arguments.



Adopted at the \_\_\_\_\_ meeting of the City Council on the \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
JANE L. RODRIGUEZ, CMC  
CITY CLERK

Approved as to form:

  
\_\_\_\_\_  
HUGH A. HALFORD  
ASSISTANT CITY ATTORNEY

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA, CALIFORNIA ORDERING THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY OF PASADENA A CERTAIN CHARTER AMENDMENT MEASURE RELATING TO THE CITY OF PASADENA FIRE AND POLICE RETIREMENT SYSTEM AT THE PRIMARY NOMINATING ELECTION TO BE HELD ON TUESDAY, MARCH 4, 2003 AS CALLED BY RESOLUTION NO. 8167.

WHEREAS, a primary nominating election on Tuesday, March 4, 2003 has been called by Resolution No. 8167, adopted on October 28, 2002; and

WHEREAS, the City Council also desires to submit to the voters of the City of Pasadena at the election a question relating to the City of Pasadena Fire and Police Retirement System;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PASADENA, CALIFORNIA DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. That the City Council, pursuant to its right and authority, does order submitted to the voters at the primary nominating election the following question:

|  |     |  |
|--|-----|--|
| MEASURE ___: Shall the Pasadena City Charter be amended to allow the spouse of a deceased Fire and Police Retirement System (FPRS) public safety member to continue to receive pension benefits if he/she remarries? | YES |  |
|  | NO  |  |

SECTION 2. That the entire text of the proposed charter amendment submitted to the voters is as follows:

Section 1509.6. RETIREMENT ALLOWANCE; DEPENDENT  
CONTINUATION OF AT DEATH OF MEMBER.

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(a) Upon the death of any member receiving a retirement allowance pursuant to the provisions of Sections 1509.1, 1509.12, 1509.15, 1509.33 or 1509.4 hereof, 60% of the member's retirement allowance shall, if not modified in accordance with one of the optional settlements now or hereafter specified by ordinance, be continued throughout the life of the surviving spouse.

(b) Upon the death of any member receiving a service connected disability retirement allowance pursuant to the provisions of Sections 1509.3 and 1509.31 hereof, 100% of the member's retirement allowance shall be continued throughout the life of the surviving spouse.

(c) If there be no surviving spouse, then the allowance which would otherwise be paid to the surviving spouse had he or she qualified and lived and not remarried, shall be paid to such child or children under said age of 21 years, collectively, to continue until every such child dies or attains age 21 or marries provided that no child shall receive any allowance after marrying or attaining the age of 21 years. No allowance shall be paid under this Section to a surviving spouse unless the surviving spouse was married to the member at least one year prior to said member's date of retirement.

SECTION 3. That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 4. That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

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Adopted at the regular meeting of the City Council on the \_\_\_\_ day of \_\_\_\_\_,  
2002, by the following vote:

AYES:

NOES:

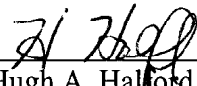
ABSENT:

ABSTAIN:

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Jane L. Rodriguez, CMC  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Hugh A. Halford  
Assistant City Attorney