

Ordinance Fact Sheet

TO: CITY COUNCIL

DATE: July 26, 2004

FROM: CITY ATTORNEY

TITLE OF PROPOSED ORDINANCE: AN ORDINANCE OF THE CITY OF PASADENA AMENDING CHAPTER 2.250 OF THE PASADENA MUNICIPAL CODE REGARDING IN-SERVICE DISTRIBUTION OF A PORTION OF EMPLOYEES' FIRE AND POLICE RETIREMENT SYSTEM CONTRIBUTIONS

PURPOSE OF ORDINANCE: This ordinance would authorize the Fire and Police Retirement System ("FPRS") to make "in-service" distributions of the principal portion of an employee's cost of living adjustment contribution into FPRS while the employee still works for the city. When requested by the city, FPRS would be able to make a distribution payment to an employee who remains employed by the city, has made contributions to FPRS and is transferring to the PERS retirement system. The amount of the distribution will be the principal portion of the employee's COLA contributions made into FPRS.

REASONS WHY LEGISLATION IS NEEDED: Pursuant to City Charter Section 1501, the city council may enact ordinances necessary to carry into effect the Charter provisions related to FPRS if the city secures an actuarial report of the cost and effect of any proposed change in the benefits under FPRS. The city has been provided with an actuarial analysis which contemplates members leaving the system and the effect of the principal portion of their cost of living payments going to the employee.

PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED: This ordinance will affect the FPRS and members who are transferring to PERS and remaining employed by the city.

FISCAL IMPLICATIONS: This ordinance will not have a specific fiscal impact on FPRS or the city. The actual fiscal impact will result from the specific city council decision to return a portion of pension funds to an employee. This ordinance only addresses the timing of when

MEETING OF 07/26/2004

AGENDA ITEM NO. 9.A.2.

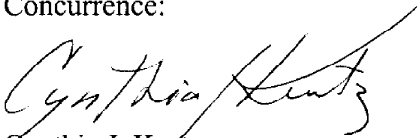
these funds may be returned and will allow the funds to be returned even though the employee is still employed by the city.

POLICY CHANGES: This ordinance allows non-retiring members to transfer to PERS and receive a distribution of the principal portion of their cost of living adjustment payments into the system.

Respectfully submitted,


MICHELE BEAL BAGNERIS
City Attorney

Concurrence:


Cynthia J. Kurtz
City Manager

Introduced by Councilmember _____

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF PASADENA AMENDING CHAPTER 2.250 OF THE PASADENA MUNICIPAL CODE REGARDING IN-SERVICE DISTRIBUTION OF A PORTION OF EMPLOYEES' FIRE AND POLICE RETIREMENT SYSTEM CONTRIBUTIONS

The People of the City of Pasadena ordain as follows:

SECTION 1. Title 2, Chapter 2.250 of the Pasadena Municipal Code is hereby amended by adding a new section 2.250.190 thereto to read as follows:

"2.250.190. In-Service Distribution. Notwithstanding any other provisions of this Chapter 2.250, the city's fire and police retirement system is authorized to make in-service distribution of the amount contributed to said system by an employee for the cost of living adjustment (but not including any interest credited thereon) upon a specific request by the city. Said distribution may be made to an employee prior to his or her retirement from the city, while the employee remains employed by the city, and only if said employee has elected to terminate his or her participation in FPRS and transfer to the California Public Employee Retirement System (CalPERS). Upon payment of all such contributions, the employee shall not be entitled to any further payments from the FPRS system."

SECTION 2. The City Clerk shall certify the adoption of this ordinance and shall cause this ordinance to be published in full text.

SECTION 3. This ordinance shall take effect upon its publication

Signed and approved this _____ day of _____, 2004 .

Bill Bogaard
Mayor of the City of Pasadena

I HEREBY CERTIFY that the foregoing ordinance was adopted by the City Council of the City of Pasadena at its meeting held the ____ day of _____, 200 __, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Date:

Published:

JANE L. RODRIGUEZ, CMC
CITY CLERK

APPROVED AS TO FORM:


MICHELE BEAL BAGNERIS
City Attorney